

JPRS 77680

26 March 1981

East Europe Report

ECONOMIC AND INDUSTRIAL AFFAIRS

No. 2110



FOREIGN BROADCAST INFORMATION SERVICE

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Indexes to this report (by keyword, author, personal names, title and series) are available from Bell & Howell, Old Mansfield Road, Wooster, Ohio 44691.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

26 March 1981

EAST EUROPE REPORT

ECONOMIC AND INDUSTRIAL AFFAIRS

No. 2110

CONTENTS

INTERNATIONAL AFFAIRS

- Soviets Note Progress in Electrification of Romania's Railroads
(B.M. Borodulin, Yu. I. Goroshkov; ELEKTRICHESKAYA
I TEPLOVOZNAYA TYAGA, No 1, 1981) 1

ALBANIA

- Possibilities for Increasing Consumer Goods Production
(ZERI I POPULLIT, 7 Jan 81) 5

CZECHOSLOVAKIA

- Transportation Called 'Sensitive Link' of Economy
(Editorial; RUDE PRAVO, 30 Jan 81) 8

GERMAN DEMOCRATIC REPUBLIC

- Fuel Conservation Seen as Key Element in Transportation System
(Otto Arndt Interview; DER-VERKEHR, No 1, Jan 81) 11

HUNGARY

- Accumulation of Agricultural Spring Work Noted
(Janos Eleki; PARNETET, No 3, Mar 81) 17

Briefs

- Field Work Progress 18
Precision Foundry 18

POLAND

- Katowice Solidarity Leaders Negotiate To End Internal Fued
(Kaija Virta; HELSINGIN SANOMAT, 12 Feb 81) 19

Problems in Development of Maritime Economy Described (Roman Lawnicki; INWESTYCJE I BUDOWNICTWO, No 12, Dec 81)	21
---	----

Labor Situation, Low Productivity in Coal Mines Examined (Kaija Virta; HELSINGIN SANOMAT, 12 Feb 81)	34
---	----

ROMANIA

Standardization of Production, Construction Nears Completion (Vlaicu Radu; SCITEIA, 22 Jan 81)	36
---	----

Agricultural Accomplishments, Goals Outlined (Ovidiu Popescu; REVISTA ECONOMICA, 23, 30 Jan 81)	42
--	----

YUGOSLAVIA

Private Business Uninformed on Available IFC Credits (Djoko Kesic; BORBA, 4 Mar 81)	51
--	----

SOVIETS NOTE PROGRESS IN ELECTRIFICATION OF ROMANIA'S RAILROADS

Moscow ELEKTRICHESKAYA I TEPLOVOZNAYA TYAGA in Russian No 1, 1981, pp 43-44

[Article by Candidates of Technical Sciences B. M. Borodulin and Yu. I. Goroshkov, VNIIZhT [All-Union Scientific Research Institute of Railroad Transportation]: "Joint Research of Soviet and Romanian Electrification Engineers"]

[Text] The All-Union Scientific Research Institute of Railroad Transportation (VNIIZhT) USSR and the Institute of Research and Technological Planning for Transportation (IITPT) of the Ministry of Transportation and Communications of SSR [Romania] in 1979 began joint research on the use of polymeric materials in the units of the contact net. In fulfilling this work, they also expect to find ways of improving the contact suspensions which are designed for speeds up to 200 kilometers per hour; also, ways to reduce the expenditure of copper for the contact net.

In 1980 in Bucharest there was held a regular conference of specialists of VNIIZhT and IITPT. The participants reviewed and coordinated informational reports on the plan for joint research. The Soviet delegation learned about the operation of the TsNIITMA sectional insulators in the Floesti-Brasov sector and in the railroad technology proving ground of Feurey.

Characteristics of the Electrified Railroads of Romania (ChFR). From the north to the south and from the east to the west the territory of the country is traversed by the mountain ranges of the Eastern and Southern Carpathians and the principal railroad lines sometimes have inclines of 28-30 percent. Consequently, electrification of the SSR railroads on alternating current with a voltage of 25 kilovolts and a frequency of 50 hertz was begun in these difficult sectors. The first sector--the Predyal-Grasov sector--went into operation in 1962. Romania has now electrified 2,500 kilometers of roads, which comprises approximately 22 percent of the entire network (Diagram 1).

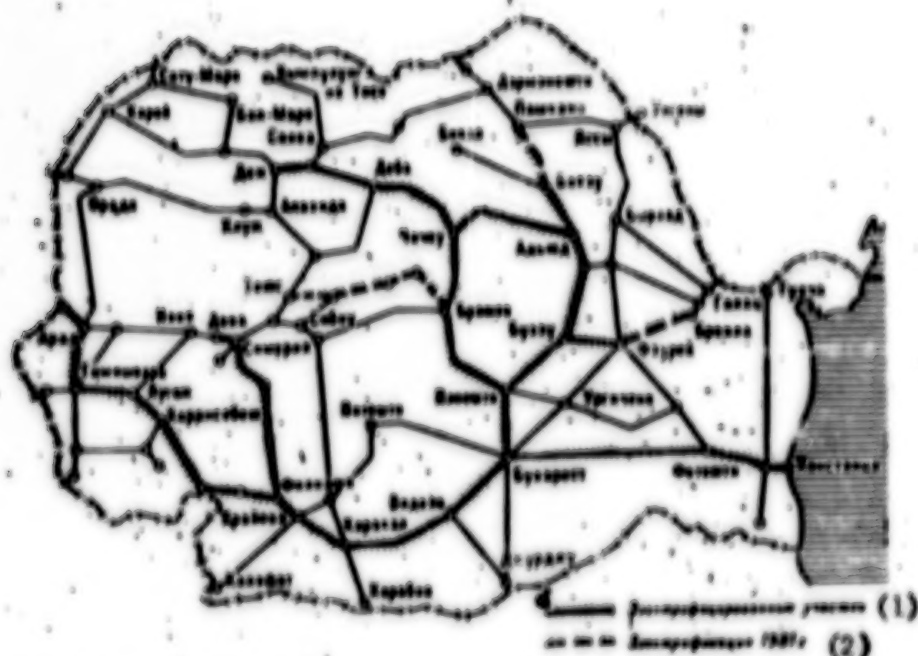


Рис. 1. Сеть железных дорог Румынии

Diagram of the Railroads
of Romania

(1) Electrified Sectors
(2) 1981 Electrification

The rates of the work are quite high: during the current five-year plan about 1,000 kilometers of roads were electrified, as many as were planned for 1981-1983. This matches the highest rates of electrification in the USSR in the 1960's. The average freight traffic load of the Romanian roads is less than one-fourth of the average load on the USSR roads; the great attention focused on electrification is due to the regime of strict economy of diesel fuel. By the beginning of 1981 it is planned that 42 percent of all the shipments on the ChFR will be carried out by electric transport.

On the main tracks of the lines and stations they installed a compensation spring chain suspension for the contact net made from 70 square meter bearer cable and 100 square millimeter copper contact wire; in localities with polluted atmosphere and those near the seashore bimetallic bearer cable is used. On the station tracks they use a semicompensation chain suspension with a 70 or 50 millimeter bearer cable and an 85 or 80 square millimeter contact wire. The tension on the bearer cable and contact wire is 10 kilovolts and the constructional height of the suspension is 1,500-1,800 millimeters; the zigzag of the contact wire in the straight sectors of the track is 1200 millimeters. The hangers and spring wires are made of steel galvanized 4 and 6 mm wire respectively.

Operation of the TsNII7MA Section Insulators. Beginning in 1974 the Romanian roads have been making extensive use of the TsNII7MA insulator developed by the VNIIZhT. Through the foreign trade association Energomasheksport [Electric Power Machinery Export] the ChFR during this period received from the Soviet railroads more than 1,200 of these insulators. Hence, summarizing the information on the use of these insulators became the first stage of the joint research.

As more of the regular batches of insulators were manufactured, improvement was made in their components. Thus, in place of glue-bolted insulating elements of a 14-mm rod on polyester resin they began to use a 20-mm rod on epoxide resin. The dimensions and form of the arc-extinguishing arms were changed somewhat and to lessen the effect of linear shifts of the contact wire in relation to the bearer cable of the semicomensation suspensions for vertical control of the insulator, provision was made for sliding strings on the bearer cable. Other changes in the TsNII7MA units led to the development of its latest modifications--TsNII7MA and TsNII7(0.8)u insulators. They have high dynamic properties and are more stable in operation.

Insulating slide blocks were also developed for the TsNII7MA insulators. The middle and side slide blocks made from contact wire and current feeders and current collectors ran along the insulating slide blocks. This makes for a smooth movement of the current collectors along the insulator when there are high speeds of movement of the electric rolling stock. The surface of the insulating slide blocks picks up contact carbon particles from the current collectors and their electric strength is less than the insulating elements with fluoroplastic protective coating. Hence, in places where it is necessary to provide dependable insulation between the sections of the contact network and the speeds of the rolling stock have been increased to 100 kilometers per hour, it is more convenient to use insulators with the conventional insulating elements and fluoroplastic protective coatings.

The report prepared by the Romanian specialists provided an evaluation of the operation of the TsNII7MA section insulators during the five-year period. The report noted that the insulators are dependable in operation, have good dynamic characteristics, and are easy to install and operate. They have a high level of electric strength of the insulating elements thanks to the fluoroplastic protective tubing (the distance between the inner wall of the protective tubing and the glass-fiber rod is filled in under pressure by hydrophobic silicon organic paste). They should be used in place of the section insulators with porcelain insulating elements.

The Use of Polymeric Insulators in the Tunnels. On the ChFR, for fastening in the tunnels of the bearer cable of the semicomensation contact suspension (with a minimum constructional height of 0.26 meters, a span length of 9.5 meters and sliding strings) to the dome they use polymeric stick ribbed insulators with "double lug" end clamps and in the index pins of the contact wire insulators with end clamps of "hook--rod with screw."

These insulators consist of a glass-fiber rod, fluoroplastic protective tubing, and fastened to it eight fluoroplastic caps and glue-crimped end clamps. The characteristics are as follows: length of run-off path 860 mm, microdischarge voltage 140 kilovolts and a breaking force under tension of 120 kilovolts.

Polymeric insulators in tunnels have been used on Romanian railroads since 1970. There are 494 insulators now in operation. The operation of the polymeric insulators has demonstrated their high level of dependability and advantages over the porcelain ones. Only 12 insulators were damaged during this period in ChFR tunnels.

The Proving Ground of the IITPT of Romania. To conduct tests of the new equipment and devices a proving ground was built in 1978 4.5 km from the Feurey station on the line to Buzau. The overall length of its tracks is 20.2 km. It has a large and small ring, a special siding track with small-radius curves, a track with a ridge, and approach and sediment tracks. Also located on the proving ground are a 600 sq meter depot (with a length of 60 meters) with two gutters, jacks and a bridge crane; also an auxiliary everyday service facility. The width of the rail track is 1435 mm. The basic type of rails is the R49, the length of the pipeline is 12.5 meters, and the line of crossties is 1800 per kilometer (the crossties are reinforced concrete under wooden joints).

The large ring with 13.7 kilometer length is for tests of the rolling stock with high speeds (up to 200 kilometers per hour). It has been electrified on alternating current with a voltage of 25 kilovolts; the contact suspension is standard. The small test ring has a length of 2.2 kilometers and curves with a radius of 1800, 400 and 800 meters. It is designed for prolonged tests of rolling stock and track under speeds up to 60 kilometers per hour. On the special siding track of 1.3 kilometer length they are testing railroad cars, locomotives and automatic couplers for record on small-radius curves.

The Soviet and Romanian specialists have agreed on a program for 1981-1983 implementation on the Feurey proving ground of tests of the section insulators and contact suspensions at speeds up to 200 kilometers per hour for the purpose of determining their operational characteristics for the requirements of the ChFR.

COPYRIGHT: Izdatel'stvo "Transport", "Elektricheskaya i teplovoznaya tyaga", 1981

7962
CSO: 1829

POSSIBILITIES FOR INCREASING CONSUMER GOODS PRODUCTION

Tirana ZERI I POPULLIT in Albanian 7 Jan 81 p 1

[Article: "All the Possibilities Exist for Producing More Articles with Better Quality and with Lower Cost"]

[Text] With state investments, production capacities in the light and the food industry have been increased from year to year. The combines, plants, workshops, lines and units built in the different districts of the country today produce consumer goods, supplying more than 85 percent of the needs of the market. Our specialists, innovators and rationalisers and all workers of this important branch of the economy, along with the increase of the number of consumer goods, are tackling the technical and scientific revolution with multiplied forces to further improve production quality and reduce costs. Thus, at the textile combine, workers are working to introduce the mass production of synthetic threads mixed with cotton. Experience has shown that these textiles are not only of a better quality, but that they also cost less to produce. The centralization and specialization of some garment enterprises have created the conditions for using more advanced methods to cut textiles, to organize work with [assembly] lines that follow one after the other and to improve the sewing technology. These changes, resulted in the increased output, textile and raw materials savings and quality improvement of ready-made clothes. Valuable experience is to be found, especially, at the garment enterprise in Korce and in some units of the NPV in Tirana.

Today the tasks assigned to the area of consumer goods production cannot be implemented by just some specialist or within the walls of a single enterprise. Therefore, coordinated study, design and work implementation is required. It could not have been possible to finish, on schedule, the expansion of the sugar plant in Maliq, the spinning mill at the "Stalin" textile combine and so forth, if a number of measures had not been taken to coordinate the study work and strengthen the responsibility and cooperation in responsibility by the relevant directorates in the ministries down to the building and assembling workers. However, it is not always the case. There are cases when the study and design of lines and of units to increase production capacities are made without bases. Blueprints and some variants are lacking so that the best variant is calculated. Studies for economic profit are especially weak. As a result, after the units are built and before they are put into operation properly, difficulties appear.

Sometimes, the raw material is not enough. There are cases when the transportation quota is not stipulated or when difficulties arise in the supply of steam and electric energy, as is happening with the extension of the beer plant in Tirana. All these things are problems which must be solved when the first line is drawn on the blueprints. Otherwise, gaps remain open for making investments without economic profit, thus imposing excess expenditures on the state treasury.

The construction of some milk processing plants was delayed for several years. There are lines and units in the production of shoes, ready-made articles and metal goods and so forth with stressed influences of artisan production. To overcome these labor shortcomings and weaknesses, the opinion of specialists, innovators and rationalizers must be examined more closely. At the same time, the organization of the study and design work of the technological bureaus and of technical branches must be placed on healthier scientific bases. We emphasize this, because, in many cases, a manifestation of work simplification is observed in them. Instead of dealing with the main problems that concern production, for example, the improvement of technology, the best use of raw materials and materials, struggling to switch from imported raw materials to domestic raw material and so forth, they deal with lateral problems. Thus, for example, if the issue of the packaging of liquids for export has been an issue for years, why then, has the problem not found a solution yet? It is known that by exporting a great quantity of wine unbottled, tomato sauce in barrels and bay leaves in sacks and so forth, the people's economy is deprived of thousands, not to say millions of leks every year. I wonder, is there a lack of production capacities and of skilled people to solve these problems? Of course not. In our country today there are some glass plants and many food enterprises and combines equipped with advanced techniques and technology. There are dozens of higher and middle grade specialists. But, the problems are delayed for years because their solution is dragged on in bureaucratic channels. And, here and there, the narrow interests of the enterprises raise their heads and, in some cases, there is a lack of that fruitful cooperation which is required to overcome the difficulties and obstacles which, in the majority of the cases, are bureaucratic. Why, is it, for example, that we do not produce more types of soap, biscuits and vases, not to mention the other articles? This, however, requires that the specialists, wherever they are, in the ministry, the committees or the enterprises, must work with initiative, with greater imagination and with greater concern. Let us continually think of increasing production and the assortment of consumer goods, of improving the quality of packaging and of reducing costs and increasing yields. Above everything, it is required to break the routine work and create correct revolutionary concepts to make more rapid changes in technology. There are good results in the efforts to replace imported materials with domestic materials. Domestic raw materials are being used more intensively in the glass industry. In some enterprises for the production of varied articles [solaris] and naptha have been replaced with coal. Hundreds of spare parts and pieces of equipment and so forth have been removed from the list of imports. However, the possibilities and potentials are still very great.

Some artistic units do not fulfill their production and export tasks, because, as they say, raw materials are lacking. But, what are these raw materials?

They are the osier, genista, reed, bush heather, mulberry wood and so forth. Therefore, they all are domestic raw materials which require neither currency for importation nor a difficult technology for their collection and processing. On the contrary, because of the failure to process them, the economy is deprived of considerable incomes in currency. And, these problems do not arise for the first time. They are not solved because, instead of organizing work better, bureaucratic manifestations are manifested. The artistic enterprises look for responsibility in the agricultural units and in the forest enterprises. The latter do the contrary. What is even worse, is that the responsible section in the executive committees of the district people's councils and the relevant directorates in the ministry of Light Industry and the Food Industry are compatible with these shortcomings and weaknesses.

The year 1981, as the first year of the new five-year plan, sets forth before the workers and cadres of the light and the food industry and of the executive committees of the district people's council many tasks for increasing production with many new articles with better quality and at lower costs. The opportunities exist for all these tasks to be implemented through a well thought work by the responsible state and economic organs and with particular attention to improvements in the technology of production and in the improvement of the technical and professional level of workers and of specialists.

9150

CSO: 2100

TRANSPORTATION CALLED 'SENSITIVE LINK' OF ECONOMY

Prague RUDE PRAVO in Czech 30 Jan 81 p 1

[Editorial: "A Sensitive Link of Our Economy"]

[Text] As stated in the Report by the Federal Bureau of Statistics in reference to the development of our national economy and the fulfillment of the plan in 1980, the state plan for freight transportation has been fulfilled 100.4 percent. Our railroad workers transported 0.9 percent more goods than in 1979, highway transportation was 2.1 percent higher and water transportation as much as 19.1 percent higher. Over the whole period of the Sixth Five-Year Plan our transportation as a whole fulfilled in principle its tasks and obligations stipulated by the 15th CPCZ Congress and determined by the needs of our national economy.

Transportation is facing no lesser tasks this year. As a very sensitive link of our national economy, transportation reflects practically all unfavorable aspects of other branches. Transportation may mitigate such deficiencies or, on the other hand, if faced with its own problems, it may aggravate them--hence its great responsibility to our national economy.

For that reason our party and state organs have often dealt with the efficiency of transportation and applied specific measures in order to achieve prompt and proper fulfillment of obligations also in other sectors.

For instance, cooperation of transporters with railroad workers may result in great improvements. The fact is gradually sinking into the consciousness of both partners that cooperation and mutual respect are the best ways to keep transportation operating smoothly and to use car units to the best advantage. The rate of car breakdowns was reduced and measures for rationalization and conservation of fuels are being enforced much more systematically.

Good achievements are evident also in the development of the technological base. The superhighway line connecting Prague with Brno and Bratislava was opened, and in the North Bohemia lignite basin the work on the construction of transportation facilities affecting the continuous process of lignite mining has been completed. New repair shops serving railroad transportation are now in operation; an additional 317 km of railroad tracks were electrified, and 214 km of tracks

were furnished with automatic safety equipment. The Prague metro now has 20 km of lines and a new dispatch center was installed in the main railroad station.

Nevertheless, there are some lasting difficulties, which, if they are not dealt with systematically, will generate still more problems. Certain basic criteria will be applied for all types of transportation, such as indicators of efficiency of transportation, quality, conservation of raw materials, fuels and power, and technological development. Efficiency is the result of the most advantageous use of trucks in highway hauling. However, the turnaround period for cars was considerably longer last year than in 1979, while it should have been cut shorter.

It is a well known fact that in our country the demands on railroads are great and will remain so in the future. Railroads are expected to transport most of all coal, ores and export goods, which means long-distance transportation, most of it on the first and second lines which share 18 percent in the total length of our railroad network, while transporting more than 60 percent of all the freight. In some sections the capacity is approaching its limits, with bumper to bumper traffic. However, transportation must serve the needs of our national economy which only rarely may adjust to transportation; it is hardly possible to lighten loaded trains on the main line or to "pass" them on less congested tracks. The existing situation cannot be changed day after day. However, it is necessary to check whether the loading capacity is appropriately utilized and whether too many goods are not being hauled needlessly from one end of the republic to another. And naturally, the schedule set for the turnaround of the cars must be maintained.

Transporters and railroad workers must join in striving to achieve this goal. Both partners know best where the reserves are hidden, among them, for example, in reducing the rate of accidents caused by sloppy services. Traffic had to be suspended for almost 3,000 hours last year, and restricted for an additional 15,000 hours on multitrack lines. Railroad transportation is a continuous operation, and if, for instance, an accident on the main line stops the traffic on the tracks for some time, enormous losses result. In extreme cases transportation must be halted on the entire line if the train cannot leave the place of the accident and has to wait until the wreck is removed. Another serious problem involves pulling the delayed train units through the congested network.

However, not every accident is caused by objective factors (for example, by material breakdown); most of them stem from a lack of discipline. Thus, prevention of accidents calls for more responsibility and discipline as basic preconditions for all operations in railroad transportation. Our party organizations must play a vigorous role here; their work is complicated by the unremitting mobility of the people. Therefore, it is all the more necessary for the communists to develop forms and methods of action affecting entire work teams and making them irreconcilable with any breach of discipline.

Our highway transportation is facing certain problems of its own. Our top-grade highways share 19 percent in our highway network, yet carry 68 percent of all transportation.

Enterprise transportation has not been used thus far to the best advantage; during the Sixth Five-Year Plan 13,000 automobiles were added to its vehicles, yet they were underutilized.

Passenger transportation also calls for certain improvements. Everybody is aware of the fact that manufacturing enterprises cannot operate without coal and raw materials, that goods must be shipped to retail stores and that products for export must be promptly delivered to our foreign customers. Nevertheless, passenger transportation and, above all, its shortcomings cannot be ignored. Timetables, particularly those for long-distance trains, are not being kept. Delays of several hours are not exceptional, even though they are not always caused by our railroads. Nevertheless, our people have every right to be irritated and dissatisfied with such a standard of transportation. Many complaints have been voiced recently about the unheated trains and buses. It may even seem that someone wants to save fuel at the expense of the passengers.

Actually, in many instances it occurs because thorough preparations for the winter season have been underrated, the operational capacity of the heating equipment in passenger compartments has not been tested at the proper time, and shortcomings have not been systematically prevented. If in some places the passengers are now freezing because of someone's false economy, then such incidents must be publicly exposed.

Our entire national economy needs more economical management, which is also one of the most important requirements stipulated by the Set of Measures. In transportation this involves primarily a speedier turnaround of cars, more efficiently utilized loading capacity, a reduced accident rate, and so on. Unheated trains and buses have nothing in common with efficient and rational management. They are proof of an irresponsible approach on the part of the workers whose duty it is, among other things, to maintain the standard of passenger transportation.

The work of our railroad workers and employees of highway and water transportation has been lauded on numerous occasions. The initiative in their approach to their assigned tasks has helped overcome many problems that crop up without being anticipated in the plan. Because transportation depends so much on other branches of our national economy, and vice versa, it is important for both parties not to be remiss in any of their obligations and to proceed flexibly and systematically in resolving the problems affecting their awareness of their responsibility to our whole society.

9004

CSO: 2400

FUEL CONSERVATION SEEN AS KEY ELEMENT IN TRANSPORTATION SYSTEM

East Berlin DDR-VERKEHR in German Vol 14 No 1, Jan 81 signed to press 10 Dec 80
pp 4-5

['Exclusive Interview' with Otto Arndt, minister for transportation; date and place not given: "The Transportation System Is A Reliable Partner of the Economy"]

[Text] [Question] Comrade Minister, the citizens of our country are accomplishing extraordinary things in honor of the 10th SED Congress. What are the results in the transportation system?

[Answer] In 1980 all economically essential transportation requirements were met and in respect to the plan 13 million additional tons of goods were transported in the process. That is equivalent to somewhat more than the performance of four additional days. In this connection the overall larger transport volume was successfully realized with roughly 5 percent lower diesel fuel consumption in contrast to the previous year.

The increase in performance was concentrated on the sectors for railroad and shipping via inland waterways which, as is generally known, are among the most energy-favorable carriers.

The overall good performances are an expression of the high level of readiness for service on the part of the working people in the transportation system, of their zeal and creativity and of the increasingly more purposeful activity in their daily work.

Because the working people know that good work pays, they have committed themselves to supporting the production sectors of our economy and to guaranteeing, without additional cost, the transport of the additional daily production in honor of the 10th SED Congress. In our construction and repair sectors we want to achieve additional daily production with the material saved.

These goals are being achieved particularly via a reduction in production consumption in the transportation system and via an increase in efficiency with the implementation of shipping and transport processes.

[Question] Your speech at the October 1980 conference on rationalization revealed that the demands on performance and efficiency go far beyond what has been the usual standard to date. What are the consequences of that for the plan for the transportation system in the 1981 plan year?

[Answer] These objectives must be viewed in two ways:

--first, on the level of the economy, it is a question of saving goods transport capacities by means of measures which reduce requirements, of optimizing essential transports and of implementing efficient division of labor, and

--second, the task consists in guaranteeing, through measures of the transportation system in general and in the transport branches, efficient implementation of transport.

In spite of increasing goods production, for the first time the plan for 1981 provides for meeting the essential transport requirements in the transport of domestic goods with capacities that are 0.4 percent lower and energy consumption that is 9 percent less in respect to the plan for 1980.

[Question] Comrade Minister, the GDR's transportation system consumes substantial quantities of material and energy. We have two questions in this connection:

--first, what are the directions being taken in order to use energy with high efficiency, and second, what basic tasks must be solved in the framework of state management activity in order to use material in an economical manner and to reduce overall consumption?

[Answer] These questions are extremely important for us because the transportation system is a large consumer in the economy in such important areas, as for example, diesel fuel, rolled steel and cement.

Roughly 15 percent of the total usable energy in the GDR and two-thirds of the diesel fuel, respectively, are presently being used to implement transport processes in the transportation system and in factory transportation.

In order to utilize the energy available to the transportation system with high efficiency, we will implement additional measures in 1981 and succeeding years to guarantee the economically most favorable division of labor between the carriers, especially between the railroad and road traffic.

The goal for 1980 of shifting 4 million tons of long-distance transport from the roads to the rails was exceeded. We shifted approximately 5 million tons.

In continuing this policy, 3 million more tons of goods are to be taken over by the GDR railroad in 1981. But we must understand the tasks for lowering energy cost in their overall complexity. These range from increased electrification of railroad routes up to implementing an efficient driving technique, observing optimal speeds and meticulous maintenance and servicing of our commercial vehicles. To reduce material consumption and to use it economically we have introduced a number of measures which serve to

--substitute appropriate domestic products for imported goods

--develop standards which are optimal in terms of the material

--implement progressive consumption norms and normative provisions which will adequately stimulate the economic use of material

- make maximum use of existing material stocks and optimize the storage system
- use reprocessed and regenerated materials and parts to an even greater degree, and
- to a substantially greater degree, obtain secondary raw materials, especially scrap iron, and recycle them.

[Question] Comrade Minister, what are the key points in the Plan for Science and Technology?

[Answer] At the end of the 1980 conference on rationalizing the GDR's transportation system, I laid out in detail the strategy of our future action in this area.

Thus I should just like to refer once again to a few important aspects of implementing the 1981 plan.

More than ever before, in all sectors it is a question of increasing the authority of the Plan for Science and Technology in its totality and of strictly organizing its implementation.

Accelerating scientific-technical progress must be achieved in particular by

- improving the practical use of the results of research development studies
- directing the diverse initiatives of the working people in the transportation system purposefully at the key points of socialist intensification.

In this I mean the entire spectrum of utilization of the findings and experiences, beginning with the working people in the scientific-technical facilities, in the sectors for developing rationalization means, in the movements of the innovators and the fair of the masters of tomorrow on up to the more effective utilization of the ideas and the results of studies from the committees in the Chamber of Technology.

Finally, it is urgently necessary to organize work in the scientific facilities of the transportation system in such a way that the results lead even more rapidly to developing productivity and efficiency, in a manner that is effective in terms of the plan.

I welcome the fact that the collectives active in the area of microcomputer technology utilization have committed themselves, in honor of the 10th SED Congress, to solving tasks which are specific and can be accounted for.

I should like to mention only by topic other important complex issues in scientific-technical progress which must result in a substantial increase in efficiency in 1981:

- alternative solutions for developing among the carriers transport and transshipment processes which are efficient in terms of the economy and the energy economy

--practical solutions for improved technology among all carriers, but with priority for the railroad and the processes of transport, transshipping, construction and maintenance

--recommendations for reducing economic transport costs both in respect to reducing transport requirements and to the optimal use of transport capacities

--results of studies for the development, efficient use and operation of transportation equipment especially in respect to enterprise management and to the industrial manufacturing, repair and storage processes.

[Question] Comrade Minister, production by the transportation system, that is primarily the relocation of people and goods. How do things look here? Is the work with the basic assets of the transportation system efficient, or are there in the transportation system and in the economy even further reserves which should be used?

[Answer] Here you are addressing an essential key point in the socialist rationalization of the transportation system since we are also among the sectors in the GDR economy which are intensive in respect to basic assets.

Without any doubt at all, there are many excellent initiatives which prove that our working people in the enterprises and administrative offices of the transportation system are making enormous efforts to utilize even more efficiently the basic assets entrusted to them, chiefly means of transport. However, analyses show that there are still reserves of substantial size. In view of the necessity generally to develop reserves in new dimensions, this is of great importance and should also be understood by every manager to be a management mandate.

No one can claim the right to demand new modern basic assets if the existing ones are not being well utilized.

We all know that a substantially strengthened material-technical base has been available to us since the 10th SED Congress for the purpose of realizing advanced demands on efficiency and effectiveness of the uniform socialist transportation system.

The supply of basic assets was substantially improved in important areas. However, this is offset by various results in performance-dependent utilization. Thus, in 1981 it is essential to decrease or eliminate the existing differences in standards.

This is especially true of improving turnaround and the rate of utilization of freight cars, of increasing the efficiency of the use of vehicle capacities in trucking and in shipping via inland waterways, of the better utilization of the fleet of railroad tractive units and of the transshipping capacities, primarily in our ports.

In like manner, the availability of transport means is impaired by levels of damage which are still too high. If one looks into the causes, they start with inadequate maintenance and service and end with repair work which is not sufficiently efficiently disorganized. Replacement parts problems, which without a doubt do exist, have long since ceased to always be the real reason for the levels of damage.

Thus, an energetic struggle must be carried out against accidents and averages, we must struggle for a high degree of order, discipline and safety.

Significant capacity reserves must be developed in road traffic through the further formation and strengthening of transport associations in tourist traffic and the transport of goods. Using this proven method of territorial rationalization, the capacities of factory transportation have been successfully involved for over five years in solving public transport tasks. Several bezirke, for example, Karl-Marx-Stadt, Erfurt, Magdeburg and Rostock, have demonstrated the effectiveness of such factory transport associations in practice. At issue here is the rapid implementation of the positive results and experiences in all sectors. In concluding the answer to this question, I would like to refer to the exemplary solution in Glauchau Kreis; Deputy Council Chairman of the Karl-Marx-Stadt Bezirk Council, Comrade Garscha, spoke about it at the conference on rationalization. New methods of management, planning and organization of goods transport make clear what effects must be achieved if these tasks are to be understood and solved as a general social concern.

[Question] One more question, please, in respect to this problem area, Comrade Minister. Territorial rationalization also concerns passenger traffic, namely, worker's commuter traffic and school traffic. How do you view the responsibility of the transportation system in these areas?

[Answer] In line with the basic concern of our transportation policy we are naturally focusing on implementing commuter traffic which meets demand, is safe and on time. In this we are successfully realizing the program to improve commuter, school children and tourist traffic. We are pleased that in the republic there are over 100 transportation associations for passenger traffic, principally to guarantee the tasks in worker's commuter traffic.

This helps us to better satisfy the requirements of our working people.

With all the progress, however, we are not yet satisfied with the quality that has been achieved, primarily punctuality in tourist traffic, information for travelers and the level of their care, but also the cleanliness of the cars and facilities. Therefore, higher quality was and is key issue number one in passenger traffic.

[Question] Comrade Minister, being a manager in the transportation system means thinking in economic dimensions. The subjective factor takes on increasingly greater importance; what demands arise out of that for the activity of the managers?

[Answer] That is a very important question since a special responsibility of the socialist managers results from the growing size, diversity and complexity of the tasks.

Increased reliance on the overall social requirements, on the bigger and bigger standards of managing and on increasing interrelationships are right now the decisive demands on management activity, indeed on the level of the work of each individual manager in the transportation system.

More than ever, in the current stage of development we see this finding confirmed:

"Wherever there is a good manager, work moves forward."

The general director, combine director, president, manager of the administrative office or other managing cadres are just now decisively determining how they will convert the policy of our party and government leadership into work results which are effective in terms of productivity and efficiency, how they understand the job of developing the capability of the collectives to control the more demanding tasks of the 1980's.

Every manager must see that his duty lies in doing everything so that the resolutions of the party and government and the resultant tasks are consistently and creatively realized jointly with the working people.

His personal responsibility for solving the tasks is tied in with the uniform activity of the collective.

Our experiences show that the best results in increasing efficiency are achieved when there is a close relationship between central management, well organized enterprise management and mass initiative in socialist competition.

In this, all working people who in these days and weeks are subject to great demands need our special concern in respect to good working and living conditions, to being taken care of at their place of work, to being equipped with protective winter clothing and all sorts of other things. To this end it is essential that the managers in all sectors discuss, even more vigorously right on the spot, with the working people all the questions that arise and unbureaucratically make the necessary decisions for their solution.

12124

CSO: 2300

ACCUMULATION OF AGRICULTURAL SPRING WORK NOTED

Budapest PARTELET in Hungarian No 3, Mar 81 p 36

[Excerpt of article by Dr Janos Eleki, deputy minister of agriculture]

[Excerpt] The rainy weather of last fall and the resulting extremely difficult work conditions took a toll on the power and work machines of the farms so that the former will require considerably more than the usual major repairs. These must be completed in addition to routine spring work.

Farms were unable to meet in entirety the projections for sowing winter grains. The shortfall must be compensated for with corn, spring barley or oats depending on local conditions. At all events, planting of grains, corn or spring grains, to replace unsown or winter-killed winter grains is fundamental to fulfillment of the grain program.

At many farms, wheat has been sown on fields not intended for this crop or has not been preceded by the crop planned. Consequently, wheat has followed wheat which will require intensified plant protection measures.

By the end of the year the farms had finished only two-thirds of fall plowing. To improve soil structure inevitably damaged last fall, it is essential for plowing to be completed before the onset of spring in all but areas under ground water. The high yields of last fall have depleted soil nutrients considerably. These must be restored this spring by more organic and chemical fertilizer than was used last year.

CSO: 2500

BRIEFS

FIELD WORK PROGRESS--Spring field work has begun. Winter cereal grains on 1.4 million hectares have nearly all received a supply of chemical fertilizer. Within a few days, plowing will be completed. Between 75-80 percent of fruit tree pruning is finished. In the coming days one-third of the agricultural machine park will be ready to go to the fields. Winter wheat in Szolnok County, the nation's large grain producing area wintered well and was hardy before the weather turned severe. Top dressing was applied on over 100,000 hectares of wheat in late winter to stimulate growth. The Boly Combine, the other largest producer of seed, will have finished packaging seed within the next few days. This processing of peas, corn and soya bean has already been completed. Vegetable growers of Pest County plan to grow vegetables on 17,000-18,000 hectares this year. The raising of seedlings is underway; the county has set up plastic-covered green houses on 400,000 square meters. The weather in Central Europe has exceeded the seasonal average by 10 degrees: recently temperatures as high as 18-20 degrees were recorded in Hungary. Now wet weather is expected. At present over 51,000 hectares, 12,000 hectares of which are seeded--especially east of the Tisza--are under ground water. In the Great Plain Region the upper half meter layer of soil is saturated and can no longer absorb rain. Water tables have risen by one-and-a-half meters due to bountiful precipitation last year. These unfavorable indications alert those involved in water management to expect more than the usual amount of ground water. [Budapest NEPSZABADSAG in Hungarian 12 Mar 81 p 1]

PRECISION FOUNDRY--On Monday trial production began at the nation's most modern foundry at Bicske. It is located in the plant for automated gas equipment of the Mechanical Metering Instruments Factory [Automatikus Meromuszerek Gyara]. The steel and aluminum foundry was built with cooperation from Sweden at an investment cost of 100 million forints. It turns out very precise alloyed metal parts and shapes of complex form for the domestic electronics industry. Half the foundry's annual output of 200 tons is to be exported. Since the castings have a precision of one one-hundredth of a millimeter, they require no subsequent processing. The foundry operates with a Hungarian inductive and resistance heating furnace, Swedish shaping robots, automatic refractory material feeder as well as vacuum casting equipment. The computer-controlled, electronic, high-speed analyzing laboratory can determine the make-up of castings in 20 seconds. Production is to begin in July after a series of batch tests have been run. It will produce 100 tons of castings this year. [Budapest MAGYAR HIRLAP in Hungarian 3 Mar 81 p 7]

KATOWICE SOLIDARITY LEADERS NEGOTIATE TO END INTERNAL FEUD

Helsinki HELSINGIN SANOMAT in Finnish 12 Feb 81 p 25

[Article by Kaija Virta: "Ranks of Solidarity Are Integrating, The Organizations of Katowice and Jastrzebie Negotiate Union"]

[Text] The internal feud within the Solidarity movement in the Katowice area, at the heart of Poland's industrial life, could well be soon overcome. The area's two separate Solidarity centers, Katowice and Jastrzebie, have started negotiating to unite and have tentatively decided on 30 January to create an integrated Silesia-Zaglebie Solidarity.

Questions of personality have caused the division. There have been differences of opinion among the management but not among the rank and file. The ranks want unity, says Stefan Palka, deputy chairman of Jastrzebie Solidarity.

His judgment seems valid. Two personalities with quite conflicting views have been the leaders of the area's two Solidarity organizations: secretary Kazimierz Switon in Katowice and chairman Jaroslaw Sienkiewicz in Jastrzebie. The former's attitude towards the communist party is reserved, to put it mildly; the latter, on the other hand, is a member of the party and strongly criticizes the so-called dissidents' influence on trade unions.

The Salesa of the South

Switon's past is slightly similar to Lech Walesa's--and Switon, who gives the impression of being egocentric, seems to like to appear as some kind of south's Walesa with his six children and all.

In February 1978 Switon established "Katowice's free trade union-committee" whose activities were not particularly successful.

However, he was arrested 29 times for 1 or 2 days within a few years and his wife and five of the children were also arrested a few times.

When labor unrest spread to Silesia last fall, Switon was under house arrest but six workers from striking Katowice steel works "snatched" him to be an adviser to their factory, despite the police guard.

The steel works strike did not end until 13 September and by then Jastrzebie had had a good start in establishing its own trade union organization. Switon tried to go and offer his expertise also in Jastrzebie but, as he claims, they only got offended by his advice and the party warned them against association with the anti-socialist Switon.

What then is his attitude towards socialism?

Switon smiles and presents the familiar Wałęsa-like phrases: I am a social, not a political person. The system is not the most important thing, but how people are treated. The system is good if society accepts it.

Resignation and Accusations

Sienkiewicz, whom Switon accuses of too-close connections with the party, reported a little after the beginning of the negotiations to unite that he will resign his duties as chairman. "In an open letter to the members of Solidarity", published in a local newspaper, he complains:

"During the past few months people have tried to change me in different ways. First came colleague Switon and wanted to teach me how to be "a free trade union man ...".

Sienkiewicz writes that he is going to resign especially in protest against an attempt by the representatives of the local dissident Workers' Self-Defense Committee (KOR) and radical Catholicism "to seize Solidarity organizationally and politically". Furthermore, he accuses these background forces of the dismissal of at least ten members of the united labor party from the leadership of Jastrzebie Solidarity.

Jastrzebie's deputy chairman Palka avoids direct accusations against Sienkiewicz. He lets it be understood, however, that he was involved in an article dealing with trade union principles which was prepared by the Solidarity leaders in Jastrzebie and was published in November in an adapted form. It was published in, among other places, the authoritative newspaper, Polityka.

"The beginning of the article was ours", says Palka. "But the rest, from the point where the opponents of socialism were about to be defined, was changed."

In fact, the article was not a hard-line one even in the form in which it was published. It warned the trade union movement against "manipulators" but called the bureaucrats and the representatives of the conservative power dangerous.

Partly because of the article in question, Solidarity in Jastrzebie got, however, a reputation of being party-minded within the new trade union movement and, as Palka says, "the local authorities have taken advantage of it".

PROBLEMS IN DEVELOPMENT OF MARITIME ECONOMY DESCRIBED

Warsaw INWESTYCJE I BUDOWNICTWO in Polish No 12, Dec 81 pp 19-23

[Article by Roman Lawnicki: "Problems in the Development of the Maritime Economy"]

[Text] The maritime economy is composed of a broad socioeconomic complex including in the subbranch-territorial link maritime transportation (fleet and ports), the shipbuilding and repair industry, deep-sea fishing, and maritime and coastal tourism. The maritime economy has become one of the key branches responsible at the present time and in the future for the next 5 years for the task of increasing the rate of growth of the national income and of favorable activity in the formation of the payment balance of the nation.

Almost half of the turnovers in the foreign trade of the country are currently conducted by sea, which means that the maritime transport service exerts a fundamental influence on the performance of import and export transactions, and on transport costs. The shipbuilding industry, both in building and in repairing ships, assures coverage of part of the needs of the Polish transport and fishing fleets for ships and repair services, comprising an essential contribution in the modernization of the fleet. Deep-sea fishing exploits natural resources lying beyond the boundaries of the country, and is significant in meeting the food program.

The share of maritime economy in the economy of the country is represented in Table 1 (according to data from a maritime economy statistical yearbook from 1978).

Finally the maritime economy is a decisive factor affecting the development of the northern macro-region voivodships in the utilization of the resources of the Baltic coast and of the lower reaches of the Vistula and Oder rivers.

Table 1

Item	In Percentage
Net value of fixed assets	3.8
Value of production from the ship-building industry, deep-sea fishing and the fish industry	2.2
The value of maritime transport services in the total value of transportation and communication	15.0
Average employment	1.5

The magnitude of the investment process in the maritime economy is demonstrated by the amount of the share of outlays for its development in the investment values of the entire national economy, which increased systematically from 1.3 percent in 1950-1955 to 3.7 percent in 1971-1975.¹

Basic Enterprises in 1971-1980

The directions of investment in 1971-1980 were defined in a series of documents from the highest party and government authorities, and especially in the comprehensive program for the development of maritime economy up to 1990. Precise determination of the general directions of this development were expressed in a resolution of the Seventh Party Congress. The effect of investment activity was the formation of the following values in 1970-1980 (Table 2).

Table 2

Item	Years	
	1970	1980
Deadweight tonnage of the fleet, million DWT [deadweight tonnage]	1.9	4.6
Fleet transport service, millions of tons	17.6	40.5
Storage-transshipment potential of ports, million tons/year	37.0	73.0
Deep-sea fishing, thousands of tons	451.0	800.0
Value of total production of the ship-building industry, billions of zlotys in prices comparable to 1971.	16.3	41.0

In the 1970's the merchant fleet constituted a more comprehensive instrument of foreign exchange than in the 1960's. In 1980 the share of the Polish fleet in servicing foreign trade needs increased to 51 percent from 44 percent in 1970.

In 1971-1980 the deadweight tonnage of the merchant fleet increased by 2.7 million DWT, with 75 percent of this growth occurring in the first 3-year period. The development of the tramp fleet was particularly rapid, from 0.9 to 3.3 million DWT, and thus by almost three and one half times. The average age of the tramp fleet was reduced by half, i.e., from approximately 9 years in 1970 to approximately 4.5 years in 1980.

A modern tanker fleet has been constructed, and its deadweight tonnage amounts to nearly 1 million DWT. Despite the complex world situation, the decisions adopted in the first half of the 1970's concerning the construction of our own tanker fleet proved to be sound, especially in view of the simultaneous development of the complex of the (tanker) fleet, the port (the transshipment base for liquid fuels in the Polnochny [North] Port), and the refinery (at Gdansk), intended for the transport, transshipment and refining of certain types of oil from the Persian Gulf countries. In addition the profitability of the Polish tanker fleet did not depend only on meeting the national needs to transport imported oil, but also on obtaining foreign-exchange surpluses by means of selling transport services. On the other hand the rate of building more liner fleet tonnage was slower than the rate of building up the tramp fleet. During the period under discussion its deadweight tonnage increased from 0.8 to 1.2 million tons. During this period delays arose in modernizing the liner fleet ships and the investment program envisaged in this area for 1976-1980 was not carried out. In the decade of the 1970's liner transport service throughout the world entered a phase of accelerated technical and technological improvement, and therefore the delays in modifying the Polish liner fleet may eliminate its share in traditional liner transport service in coming years.

The mean age of the liner fleet increased from 8 years in 1970 to more than 12 years in 1980, and its structure had difficulty in keeping up with the import and export structure of Polish foreign trade. While the Polish Ocean Lines have more than 170 ships in their fleet, only 20 percent of the tonnage meets modern requirements, and 60 ships are already more than 15 years old, which has become a source of difficulty in seeking more profitable cargoes, even if they are under the control of Polish foreign trade. Actually there is some positive increase in cargo transport in containers, testifying to progress, but it is still too low in maritime turnovers in Polish foreign trade.

A new element in the development of maritime transport service was the establishment of the enterprise Polish Baltic Shipping Company in Kolobrzeg in 1976 for the use of passenger ferries, small short-range tramp steamers (Baltic), small ports and ferry landings along the coast.

In 1971-1980 significant investment outlays led to doubling the transshipment potential of maritime ports. This became possible because of

the construction of the Polnochny Port, the transshipment capacity of which will reach 17 million tons in 1980: 10 million tons of oil and 7 million tons of coal.

The following investment enterprises were also formed to augment the new transshipment capacity in the ports (Table 3).

Table 3

Item	Transshipment capacity in millions of tons
Sulfur transshipment base in the Port of Gdansk	2.1
Fertilizer material base in the Port of Gdansk	2.4
The coal base in Swinoujscie (so-called SWI-II)	4.2
Liquid fuel base in the Port of Gdynia	2.0
The fertilizer material base in Swinoujscie (so-called SWI-III)	2.3
Partial implementation of the container base in Gdynia	0.4
Transshipment of cement with a total capacity of approximately	2.0

Despite the accelerated development of maritime ports in recent years, the rate of this acceleration has not been satisfactory. This is because realization of the port investments has not kept up with the growing needs for port services. The allocation of greater investment outlays to increase the transshipment potential of ports has met a barrier formed of the excessively tight material balance and construction production capabilities. At the beginning of the 5-year period of 1976-1980 developmental disproportions appeared in the maritime ports, based among other things on:

a) A lack of a sufficient number of deep-water storage-transshipment bases for grain and ore (for example, the fleet has available large tankers of 135,000-149,000 deadweight tons suitable for the transport of grain as well, but there is a lack, among other things, of a deep-water port for a storage-transshipment base). Actually there has been growth in the transshipment capacity of specialized bases, testifying to modernization of port services (the share of these bases in the total port potential increased from 12.2 percent in 1970 to 43.4 percent in 1980), but this concerned only dry and liquid bulk cargoes (coal, artificial fertilizers, sulfur, and crude oil);

b) The labor-intensive technology of transshipping general cargo, employing almost half of the number of workers in the ports. The construction of the container base in Gdynia will improve the situation, but will not solve the problem of comprehensive mechanization of storage-transshipment processes assuring a growth in labor productivity in other ports;

c) Lack of attainment of envisaged rapidity of ship services; in recent years ship service time has increased, as a result of reduced transshipment rates, by another 10-11 hours per 1,000 tons of general cargo. For example, in the Gdansk-Gdynia port complex the ship standing time measured by the "roadstead-roadstead" indicator (the number of hours per thousand tons of cargo) amounted to:

	<u>1970</u>	<u>1979</u>
Ore	12.03	13.15
Grain	27.68	18.52
General cargo	57.62	68.35;

d) Incomplete integration of the port infrastructure with land transport systems, with the share of automotive transport, water-inland water transport and pipeline transport being unsatisfactory, differing technologies of individual transport systems, and imperfect coverage of operating tasks (particularly railroads) rendered problems in coordination difficult along with a simultaneous lack of national experience in streamlining process of transport control on such a large territorial and subbranch scale.

Since 1971 the shipbuilding industry has taken the route of accelerated development. Investments in the shipbuilding industry have made it possible for Polish shipyards to undertake the construction of modern large-tonnage ships with a comprehensive level of technical equipment. There has been considerable increase in production with a simultaneous drop in the level of shipyard employment. In the first cycle modernization included basic production links in the shipyards, but was later concentration on the development of a co-production base and research and development facilities.

Thanks to the process of modernization including both shipyards and enterprises producing ship equipment, and the adoption of a sound assortment concept assuming the construction of technically complex ships with high equipment saturation (constant renewal of the production assortment for rapid and flexible adjustment to world market requirements), a substantially high level of ship construction was achieved on the basis of maximizing the range of co-production services and supplies, so that shipyards situated on relatively expensive seaside areas were the construction site for hulls and for mounting elements produced in specialized factories in the heart of the country.

There were delays in modernizing the ship repair facilities which, along with the increase in the merchant fleet, produced stresses in the area of satisfying the repair needs of this fleet. The ratio between the value of the fixed assets of the fleet and the value of the fixed assets of the repair facilities began to drop considerably, reaching a magnitude of 1.8 percent in 1980. This indicator is twice as low as the magnitude generally recognized as optimal.

The investment process in deep-sea fishing was accompanied by external determination, caused by the application of limits in fishing freedom halfway through the 1970's and later, stemming from two sources:

-- protection for the schools of some species from biological considerations, a result of which was the application of fishing limits through international fishing conventions, and

-- self-appropriation of the living resources of the sea by a number of coastal countries through establishment of maritime economic zones (mostly 200 miles).

As a result of these restrictions the situation became particularly unfavorable at the junction of 1976-1977, but the allocation of large investment outlays to construct ocean-going fishing ships resulted in an expansion of Polish fishing regions and in the structure of the species of fish caught, and an annual increase in the catch will be achieved in 1971-1980.

In 1970 almost 60 percent of the total number of ocean-going ships in the fishing fleet were outdated trawlers of medium size (B-10/14, B-20 and B-23). The extension of this fleet (capacity increased from 178,000 BRT in 1970 to 231,000 BRT in 1980) proceeded in the direction of supplementing it with large modern vessels. The development of the fishing fleet was also accompanied by growth in the number of auxiliary ships. Almost 90,000 tons of fish and fish products are transported annually on these ships from fishing areas to ports. However, the process of expanding the ocean-going fishing fleet was not accompanied by modernization of the Baltic fleet, nor by the creation of land facilities.

Maritime Speed-Up

Future processes of maritime economy formation are included in the basic problems of economic development. In Poland the maritime transformation occurring as a result of investment is the subject of current discussions, usually favoring the formation of two opposing viewpoints:

- 1) The need to make large new investments, mainly in ports and in the merchant fleet, and
- 2) Renunciation of undertaking developmental enterprises in view of the allegedly low effectiveness of port investments, particularly because the 1980's will be characterized by restrictions in a tight investment front.

It appears that both viewpoints must be verified, because both the need to limit the investment front and good effectiveness in maritime investments demand that a transitional solution be found. The fact of the matter is that maritime economy investment enterprises stimulate the growth of the national income, creating opportunities to obtain additional funds.

The beginning should be a development of a specific method for determining the economic effectiveness of investment by individual branches of the maritime economy, referring the specific nature of these branches to the background of operation of the entire national economy, and then making analyses and comparisons with other possible variations to achieve a similar effect outside of the maritime economy. Such comparisons usually turn out in favor of developmental enterprises in the maritime economy. Thus, for example, the estimate should quantify and consider such elements as:

- the degree of profitability of exporting ships in comparison to exporting other products, in making decisions in the area of modernizing the shipbuilding industry,

- differences between the costs of producing net protein from fish and the costs of obtaining meat protein from warm-blooded animals, in making developmental decisions for deep-sea fishing (in 1975-1979 the cost of producing net protein from fish was approximately 1/3 lower than the cost of obtaining meat protein from warm-blooded animals, and this in spite of the unfavorable external conditions already mentioned),

- the amount of losses suffered in maritime transport because of ships lying in roadsteads and protracted off-loading and loading times, in enlarging and modernizing ports, and

- the affect of using passenger (excursion) ships which could be attained by owning such a fleet.

Emphasis on the efficiency of production and of foreign trade in the national economic strategy in the 1980's requires acceleration in the development of the subbranches of the maritime economy, and all the more so because interest in the sea and in more thorough exploitation of its resources and wealth, is a worldwide feature with a tendency to demand the interests of individual countries.

In characterizing maritime economy in 1980-1990, the most difficult thing is to define developmental indicators. In accepting diversified types of conditioning and a scale of national economic needs, it is possible to initially assume that the basic elements can take shape at the following levels (Table 4).

Table 4

No.	Item	Unit of Measurement	1980 (planned fulfillment)	1985	1990
1	Merchant fleet, tonnage	million DWT	4.6	5.5-5.8	6.5-7.0
2	Port transshipment	million tons	67.5	78.0-80.0	90.0-100.0
3	Share of the Polish fleet in Polish foreign trade maritime transport	%	53.3	57.0	60.0
4	Maritime ships put into service	thousands DWT	496	600	x
5	Value of repair services exported in shipyards	millions of foreign-exchange zlotys	395	x	x
6	Deep-sea fish catch	thousands of tons	800	780-840	900-1000
7	Passenger transport by sea	thousands of persons	355	520-560	750-850

x-lack of data

Maritime Ports and the Fleet

The directions of investment in maritime ports were discussed in the columns of one of the previous issues of *INWESTYCJE I BUDOWNICTWO*.⁵ Completing the investment tasks already begun is of utmost importance here, because it determines the acquisition of additional transshipment capabilities in ports to the extent of 14-15 million tons annually. Finishing the construction and extension already begun for the ore transshipment base in Polnocny Port and the bulk goods transshipment base in Swinoujscie will essentially complete the extensive-territorial stage of port extension up to 1990, and a parallel stage of development should concentrate on intensive elements implementing the new possibilities of adaptation to the needs of shipowners and foreign trade enterprises. This is a matter of undertakings in the field of perfecting transshipment technology, since the ports of the entire world working in the maritime transport system are subject to external conditions.

Foreign trade and the requirements of modern transport technology primarily stress the need to expand the containerization system. The port in Gdynia, which became a leading port in the area of this type of transshipment as its container base was constructed, requires comprehensive investment and complementary undertakings to create a container center. In view of the convenience of its position from the point of view of transit transport, the port in Szczecin should also be developed for cargo containerization.

Not only must success in the operation of the container system be solved in the ports, but also the problems of integrating the ports with the land transport systems. The framework of this article does not permit a discussion of the complexity of the investment problems associated with this. The magnitude and the type structure of the national fleet, both the liner fleet and the tramp fleet, are balanced by the amounts and type of cargo from Polish foreign trade planned in maritime turnover. In addition the fleet has been reconstituted to conduct very profitable transport from foreign countries between various ports. The goals which should be obtained in the development of the national fleet can be reduced to:

- maintaining the role of the major transporter of bulk cargoes in Polish foreign trade,

- basing competition in world maritime service in the area of market cargo lines service, and

- increasing transport between foreign ports.

The conditions for achieving these goals are a continuation of efforts to modernize the fleet by gradually changing the ships serving regular lines (the liner fleet) by introducing new types of ships (mainly the ro-ro [roll on-roll-off] type) and supplementing the tramp fleet condition by specialized ships, e.g., chemical transport ships.

The Shipbuilding Industry

The shipbuilding industry is preparing conditions for achieving a future type structure of shipbuilding production characterized by new types of units with high standards of equipment. The results of analysis of developmental trends in the industry throughout the world in 1981-1985 indicate a revival of shipbuilding, confirmation of which is already visible today in the state of the so-called order portfolio. The national and export needs for shipbuilding production is higher than the production capabilities of Polish shipyards.

For a number of years the division of production from the Polish ship-making industry for export production and for the needs of the national fleet has engendered controversial discussions and difficulties in formulating an apt answer to the question of whether to maximize the

exportation of ships or to completely satisfy the needs of the national fleet.

A difficulty in adopting an optimal solution is the differing organizational subordination of the shipbuilding industry and of the merchant fleet, and the resulting priorities in allocating production. It is difficult to argue with the fact that export problems constitute one of the key concerns in the processes of the growth of the national economy. However, in determining the allocation of production in the shipbuilding industry it is simultaneously necessary to consider both the effectiveness of exporting ships at a definite time (since the prices for ships on the international market are subject to fluctuation in the economic situation and since exports of shipyard production are adjusted to variable conditions in the worldwide ship market trade), and to the current needs of the national fleet, generally based on world recessions and economic situations in the transport service market, and gaining considerable foreign exchange for the national economy.

The probable assortment structure of the production of the Polish shipbuilding industry in 1981-1985 will apparently be as follows (Table 5), with the structure in 1976-1980 being provided for comparison.

Table 5

Item	1976-1980 (planned fulfill- ment)	1981-1985 (planned require- ments)
Ships for offshore operations	-	18
General cargo ships	35	30
Passenger ships (passenger- automobile ferries)	15	8
Bulk carriers	23	19
Fishing ships	25	10
Other		15
Total	100	100

The type structure of production is thus characterized by the introduction of the production of a number of new units, such as geological and geophysical drilling ships, auxiliary ships (firefighting, crane, supply-tug ships), drilling platforms, new container vessels and large passenger-automobile ferries.

The concentration of investment activity in the shipbuilding industry is associated with a concentration of outlays in 1981-1985 on:

1) Completion of basic investments increasing productive capability, i.e., continuation of the modernization of production shipyards, the construction of the production facilities of drydock II in the Shipyard named for the Paris Commune in Gdynia;

2) The installation of ship equipment production in co-production enterprises for ships conducting offshore operations. These are, for example, new types of electric power equipment, diesel-electric main propulsion systems on ships, the elements of an underwater television system, drill-pipe feed system equipment, and so on; and

3) Acceleration in the introduction of small and moderate mechanization of manual operations.

Repairs and modifications on maritime ships, and the production of floating docks and other specialized units are conducted in repair shipyards which form a separate subbranch of the maritime economy and are grouped in the Association of Maritime Repair Yards. Just as in the industry for building new ships, here again it is necessary to reasonably determine proportions between the amounts allocated for exports and repairs of our own fleet, but so as not to give rise to excessively large foreign-exchange expenditures for this reason. In investment outlays a priority for mechanization of manual work is justified, since in the long run it is unsatisfactory. However, it does not appear very realistic to construct a repair plant for large draught ships in the first half of the 1980's. An alternative solution, and perhaps more efficient, is the practice of repairing large ships in production shipyards, of which the Shipyard named for the Paris Commune is particularly adapted because of its drydock.

Deep-Sea Fishing

In recent years the sites for catching deep-sea fish have begun to change for individual countries, as a result of the self-appropriation of coastal zones for fishing purposes on the principle of all countries having access to the sea.

With respect to Polish deep-sea fishing, it is to be expected that it will be concentrated in the 1980's on:

- the utilization of its own zone on the Baltic Sea (fishing on the Baltic is least capital-intensive and provides species of fish known to the consumer, such as herring, cod, and sprat),
- fishing on the high seas,
- exploitation of the resources of still unclaimed sea areas, with Antarctica being considered first, and

-- striving to maintain previous high-seas fisheries within the 200-mile areas of foreign economic zones, although this will be difficult to achieve.

This is the background of the directions of investment, favoring modernization of the (cutter) fishing fleet for fishing on the Baltic, the construction of a new fleet to exploit the resources of the high seas, and supplementing the onshore installations and facilities which constitute the final, but no less essential link, in the chain of the "migration" of fish from fishery to consumer.

Here the hierarchy of investment needs includes the following purposes:

- increasing ice production, among other things by modernizing existing plants,
- incrementing so-called storage surfaces at zero and low temperatures,
- solving the problem of the cold-storage transport of fish. Here there should be a return to fish transport in refrigerator cars on railroad express lines, and
- developing and modernizing production flowlines in fish processing plants, while investment activities in this area should be concentrated on fish processing plants located on the coast.

Harmonization in the development of the entire maritime economy, maintenance of proportions between its individual subbranches, and especially increasing the share of coastal regions in augmenting the national income constitute a requirement to perfect the maritime planning system in the socioeconomic complex. The maritime economy, dismembered and not balanced up to now in a comprehensive way in the long-term plans, should be reflected in planning documents in the form of a compact part separate from the whole national economy, and also representing a compulsory directive for the managing organizational units. This particularly involves balancing tasks and resources in the plan and maintaining a balance in the area of:

- the transshipment capabilities of ports and the deadweight tonnage of the merchant fleet with the amount of cargo from Polish foreign trade transported by sea,
- port connections with land transport systems,
- the proportion between the division of shipbuilding production and shipyard repair services for export and for the needs of the national fleet,

-- the size of the deep-sea fish catch and the capabilities of onshore facilities, with a need to preserve the continuity of the chain of the "migration" of fish from fishery to consumer, and

-- the formation of a seaside settlement system and solution of objective conflicts in coastal development, with the territorial conflicts of the urbanized Gdansk region and the Szczecin urban center first coming to the fore.

FOOTNOTES

1. According to computations in W. G. Strak, "Przyszlosc polskiej gospodarki morskiej" [The Future of Polish Maritime Economy], p. 78, Ksiazka i Wiedza [Book and Knowledge], Warsaw, 1974.
2. J. Baj: "Deep-Sea Fishing," TECHNIKA I GOSPODARSKA MORSKA, No 6, 1980.
3. The experience of Soviet, Scandinavian and American shipowners in the operation of passenger-excursion ships confirms the developmental tendencies of passenger excursion transport service, yielding high profits for the shipowners. Everything indicates that the process of spending free time on the sea will grow stronger, and Polish passenger transport service should be prepared for this.
4. Our own calculations.
5. R. Lawnicki and Wl. Babicki, "Directions of Investment in Maritime Ports," INWESTYCJE I BUDOWNICTWO, No 3, 1980.

5806

CSO:2600

LABOR SITUATION, LOW PRODUCTIVITY IN COAL MINES EXAMINED

Helsinki HELSINGIN SANOMAT in Finnish 12 Feb 81 p 25

[Article by Kaija Virta: "Miner Has Again Time for Mass: Polish Coalminers Enjoy Free Weekends but Productivity Has Remained Low"]

[Text] Hardly anywhere has the direct effect of last fall's strike agreements on working conditions in Poland been so tangible as in the mines.

"Earlier the miners worked 60 hours a week, now 37 and 1/2", say the managers of the union department of Manifest Lipcowy coal mine. Still, the pay is on average a couple of thousand zlotys higher than before.

The Ministry of Mining in Katowice reports that the reduction of working hours is mostly to blame for the sharp drop in coal production. The trade union representatives of Manifest Lipcowy vehemently deny this: "No, reducing working hours is not the main reason even though it has its effect".

Flags at Half-Mast

When we visited Manifest Lipcowy mine in Jastrzebie 2 weeks ago, there was a strike going on there. All work, both above ground and below, at a depth of five to seven hundred meters, stopped for 3 hours. The same thing happened in over 100 other Silesian mines and in numerous other enterprises.

The strike underlined the following demands of Solidarity in the Jastrzebie area: the trade union movement must get free access to mass media, legal reforms concerning censorship and trade unions must be hurried through, Rural Solidarity must be registered, no punishment for those who participated in boycotting Saturday work.

The decision to stage a strike was made 3 days earlier. According to the local leadership of Solidarity, the last straw was the firing of the manager of the Solidarity-branch of Katowice television after he appeared on television wearing the insignia of the trade union on his chest.

High up at the top of the mine tower the red-white flag of Poland and the black-green flag of the mine are flying at half-mast. "For the political prisoners", says the representative of the union department when leading us to the manager.

A Gloomy Manager

Manager Karol Grzywa has enough time for visitors today. He spreads his arms and looks gloomy: "I don't have any influence on the course of events". Thus it's better to talk with a reporter than sit nervously in the office.

Because of the strike, the day's production is about 30 percent less than projected. The January plan will not be achieved and the 900 persons at the top of the hierarchy who carry the responsibility will be left without their monthly bonuses.

Grzywa, who earlier worked as a chief of the mine's underground operations, says, incidentally, that he was a Solidarity candidate in the October elections for a manager. There are many of his former subordinates among the leadership of the union department and he says praisingly that cooperation with them does work well. "But the reactions of the rank and file members, on the other hand, are harder to guess in advance", he says.

When the representatives of the mine's Solidarity arrive, the manager stops talking. He hardly comments on what the employee leaders say but politely lights their cigarettes. Over 90 percent of Manifest Lipcowy's 7,500 workers belong to Solidarity. This was the first coal mine where legal union department elections were held and consequently nobody can have any doubts as to the representativeness of the Solidarity leaders.

Jozef Blaut, deputy chairman of the shop floor committee, who was elected in the elections, and Jerry Mrziek, member of the committee, say that participation in the December elections was "100 percent".

First, each department in the mine voted for its own electors who in the final election meeting screened the five members for the shop floor committee out of 92 candidates.

"The election took 13 hours", Blaut tells proudly. That's quite a change from olden times, recall the men: then they were given prepared name lists from the top and the election process itself didn't have any other meaning than to get an impressive number of ballots into the ballot box.

Even though Manifest Lipcowy was the center of Silesia's mining strikes in the fall of last year, there have been hardly any work stoppages after that. In October there was an hour's statewide token strike and now this regional protest strike.

"We have to know our responsibility", says Blaut. "Too much striking is no good".

Exhausting Pace of Work

Unlike many other myths about Silesia in the rest of Poland's eyes, stories about the miners' high standard of earnings are true. Even before the strike agreements,

they earned 1200-1500 zlotys which was double the average pay of an industrial worker. (According to the official exchange rates a zloty is about 12 Finnish pennies.)

But to get this kind of pay they had to work--literally--32-day months and 8-day weeks.

This exhausting pace of work was based on the so-called four brigade system. Its creation was, according to a Polish newspaper, a pertinent example of how "the concentration of decision-making took extreme forms and even when wrong decisions were made they were stubbornly put into practice.

Before last fall's strikes a coal miner's shift was generally 9-10 hours. He had to work every Saturday (while other Poles were free on one Saturday out of four) and on average every other Sunday but he could also be called to work every Sunday. Furthermore, twice a week he had to work "ruila" or two shifts in succession without coming up from the shaft in between.

What caused special anger was that in this system free days usually always fell on some other day than Sunday which plays an important role in the miners' social customs with its masses, family walks and other social rituals.

Productivity Low

According to the Jastrzebie agreement made last fall at the end of the mining strike, miners don't need to work on Sundays any more. Saturday work ended at the beginning of this year. At the moment there is practically no overtime, either. The Ministry of Mining estimates that working hours have decreased by one-fifth.

According to manager Grzywa, production in Manifest Lipcowy fell because of working time reform by about one-seventh a day. He further estimates that productivity is 16 percent lower than before the summer the strikes started.

The representatives of the mine's union department say that the main reasons for a drop in productivity are the strained social circumstances. From their point of view it means that the government has not fulfilled last fall's agreements and therefore the union departments must be ready to fight.

Blaut and Mrziek, representatives of the shop floor committee and shop steward Eugeniusz Zaudler, argue for a moment whether the poor organization of the mine should also be mentioned as a cause of lower production.

They state that many bottlenecks have developed in production. Manifest Lipcowy is quite a new mine and therefore the machines are exceptionally modern; Staut and Mrziek say, however, that some of the new machines stand idle because their use was not sufficiently planned in advance. Also, waiting for spare parts affects productivity.

Exaggerated Figures

One reason why it's difficult to get an accurate picture of the fluctuations in the coal production is that earlier production figures were consciously distorted.

When I ask the officials of the Mining Ministry about this, they smile wryly and look at each other. "We have heard about it, too", one of them says. They certainly don't dispute that the figures have been exaggerated. In their opinion this is just a minor thing; they say that the lack of transportation equipment, for instance, caused a bigger gap in productivity than conscious lying.

The Ministry defends the reporting of incorrect figures by claiming that the plan given from the top used to be an absolute norm which had to be "fulfilled" at all costs. The same thing happened in housing construction and the results of that have been even more painful for society, the men of the Ministry say.

Preparing the Plan

However, nobody denies the clear fall in last year's production. A drop of nearly one-third in Polish exports is felt even in Finland. The production plan for the beginning of the year is not ready yet. Only a draft is being made and, according to the first stage of economic reform, authority has largely passed to individual enterprises.

In Manifest Lipcowy, for instance, the decisions made about the 1981 production are as follows: manager Grzywa drew up a proposal for a plan with his experts, then it was presented with an explanation to the workers and they accepted the proposal after some discussion. The plan was sent to a local mining union and from there on to the Ministry.

According to Minister of Mining Mieczyslaw Glanowski, 188 million tons of coal should be produced this year to cover domestic demand and the minimum export quotas. This is 5 million tons less than last year's production, but it might still be too optimistic a figure for the basis of the project.

9677

CSO: 3107

STANDARDIZATION OF PRODUCTION, CONSTRUCTION NEARS COMPLETION

Bucharest SCINTEIA in Romanian 22 Jan 81 p 2

[Article by Vlaicu Radu: "The Standardization of Production and Construction"]

[Text] At the end of this month, the first stage of one of the most important actions will be completed, an action considered to be truly a key factor of great significance for the powerful affirmation of the technical-scientific revolution and the transition to a new quality in all the branches of our economy - the standardization of industrial products and construction. Initiated in July 1979 by the secretary general of the party, comrade Nicolae Ceausescu, the standardization program, conceived in a unified manner for the entire economy, included all the sectors of material production, and had in mind a selection of products that would lead to the reduction of consumption of raw materials, materials, fuels and energy, the increase in the quality and competitiveness of products and in labor productivity, the optimum use of production capacities and, lastly, the obtaining of maximum economic efficiency. What are the results of this work, carried out over 18 months and involving the participation of broad groups of specialists from ministries and other central organs, central institutes of scientific research, appropriate academies and enterprises?

Within the framework of actions to categorize and standardize, comrade engineer Ion Istoc, director at the Romanian Institute of Standardization, a unit subordinate to the National Council for Science and Technology, tells us that 36,234 basic types were analyzed, involving over 1,045,000 product size-dimensions of domestically produced items, 67,701 imported products and over 20,000 state standards and branch technical norms. In the wake of the analyses made, we can now estimate that at the beginning of the current five year plan the level of standardization of production for the national economy is 90 percent, with the amount of variation from one branch to another being between 88 percent (metallurgy) and 98 percent (construction materials and forestry economy). This means, in fact, that the standardization program involves a volume of 432 billion lei of goods production at the 1981 level.

The results of this program of unprecedented scope in our country are expressed in the massive decrease in the unjustifiably large number of size-dimensions for products (from over one million to 246,020, representing 25,116 basic types) and designs for construction projects, with important economic results. From the data

presented by the National Council for Science and Technology, we see that one of the effects of standardization is a reduction, for the period of this five year plan, of the country's hard currency burden, estimated at 33,640 billion lei. And, naturally, in addition to this one can add other billions of lei stemming from the reliability of products, the increase in labor productivity and even from equipment maintenance and use programs.

As was natural, the standardization program began with ferrous metallurgy, where it concluded its work on 25 March 1980, with it being aimed towards the achievement of a restricted variety of types and size-dimensions of ferrous metallurgical products and the revision of state standards regulating these types of products. After the analyses made by groups of specialists from the ministry, centrals, scientific research and technological engineering units and production units, under the direction of the branch commission for metallurgy, according to engineer Mihail Enache, a director in the technical directorate of the Ministry of the Metallurgical Industry, of the 181,886 existing ferrous product size-dimensions currently in production over 50 percent were eliminated and of the 701 brands of steel produced in our country only 166 remained. This program required the elaboration, modification and improvement of 204 state standards. From now on, metallurgy will only produce those brands, varieties and size-dimensions that are strictly necessary, in accordance with the lists approved after the standardization program. The economic advantages were shown last year, along with the implementation of the decree regarding the standardization of steel brands and products: there was a reduction in the number of steel production technologies; there were increases in production capacities through a more rational use of metallurgical equipment; there was a more consistent quality in products; there was an optimum use of stocks of materials at the users and so forth.

Our interlocutor tells us that for this year the savings are estimated at 153.8 million lei and for the entire five year plan they will exceed 770 million lei. At the same time, this means important reductions in the consumption of raw materials, the large part of which are scarce, which we must obtain through imports, such as, for example, 385 tons of nickel, 72 tons of ferro-chromium, 150 tons of ferro-tungsten, 10 tons of cobalt and so forth.

The standardization program in the machine building industry was directed towards especially reducing the number of basic types of size-dimensions for machinery, equipment, assemblies and component sub-assemblies. As a result, inappropriate or outdated products and those having outdated technical-economic parameters were eliminated from production, providing conditions to start production on a larger number of products that are still being imported. Thus, the Ministry of the Machine Building Industry tells us that as a result of the analyses made the number product-size-dimensions was reduced from 831,534 to 187,458, representing 13,530 basic types of products. Measures were also established to begin production of a larger number of products that are being imported, drawing up research and production programs for 926 objectives to be achieved during the 1981-1985 period, and which mainly calls for the production of industrial equipment

and installations with top technical and economic parameters destined for the economic sectors during the current five year plan. Faced with the rigors and exigencies created by this vast standardization activity, it is necessary to add the new criteria for efficiency to the concept itself of the "new product." This rating will not be given except in cases where the product truly has extra performance and additional competitiveness, is built with lower levels of consumption of raw materials, materials and energy, and costs less.

At the end of December 1980, the secretary general of the party, comrade Nicolae Ceausescu, received the report, during a visit to the exposition held at the complex in Piata Scinteii, that the standardization activities in the field of construction had been completed, with this field, after metallurgy, being the second large sector of the economy where the standardization program had been completed. We find out about the economic advantages and effects upon the entire economy as a result of standardizing construction from engineer Radu Negru, a deputy director general at the Central Institute of Research, Design and Guidance in Construction. In the activities in the construction branch, our interlocutor tells us that standardization is not new. It has long been applied in design work. A turning point in this field, however, was the meeting between the secretary general of the party and the personnel in the field of construction design, in April 1980. The directives issued contained a truly innovative, revolutionary concept in construction design, which we adopted, with these directives being incorporated in Decree 418 of 30 December 1980. First of all, we set out to reduce the number of typical construction designs from 3,188 to 499 and, at the same time, to have a more judicious coordination of construction standardization activities with those in the realm of construction materials. Through the standard designs selected, we foresee both a broader use of local, traditional and recoverable materials and certain unconventional sources of energy, and a modularization of dimensions for buildings, which will lead to the reduction of unused space and unification of the dimensions of prefabricated elements. The estimated economic efficiency as a result of these actions for the current five year plan will be expressed in the reduction of the total volume of investments by 53.3 billion lei. With regards to materials, considerable savings are foreseen for cement (10.5 million tons), metals (2.7 million tons), coal (400,000 tons), cables and different wires (19,000 km) and so forth. But, what is important, our interlocutor concludes, is that through this vast standardization program in the construction sector there will be a new qualitative order, a result of a fundamental and rigorous proportioning of productive spaces, in relation to man, his work and the logics of technology.

Standardization, in fact, provides wide open paths to technical progress in other sectors of our economy - chemical industry, energy, light industry, agriculture, the food industry - so that 1981 will represent the first year when the majority of the products that will be produced within the national economy will be standardized.

This program represents a first step, a beginning, for the much more accentuated decrease in the number of materials, parts and so forth produced by our economy. As the secretary general of the party, comrade Nicolae Ceausescu, stressed in his

speech at the recent plenum of the National Council of Workers in Industry, Construction, Transportation and Commerce, it is necessary to continue to have decisive measures for directly applying the norms and standards established on the basis of standardization, for the purpose of ensuring in all sectors a much greater reduction in the number of materials, parts and subassemblies and, on this basis, strongly reducing materials consumption, increasing productivity and economic efficiency, producing in-country a large number of materials and products, and, thus, reducing imports.

The fact is as clear as possible that the creative efforts to promote technical progress must be organically combined with the constant concerns to achieve a new quality and high efficiency in each enterprise and each branch of the national economy. New opportunities to improve current standardization solutions, especially in construction, will be opening up along with the standardization of the industrial technological products themselves and the equipment used in construction. This is a future path that appears logical and natural. Standardization is an essential, efficient path to conservation, simplifying existing solutions and extricating us from disadvantageous and costly solutions by selecting what is better and more efficient. In other words, a minimum of varieties of designs and solutions, with a maximum of advantages.

8724

CSO: 2700

AGRICULTURAL ACCOMPLISHMENTS, GOALS OUTLINED

Bucharest REVISTA ECONOMICA in Romanian No 4, 23 Jan 81, No 5, 30 Jan 81

[Article by Ovidiu Popescu of the Ministry of Agriculture and the Food Industry:
"The New Agrarian Revolution: Production, Productivity, Economic Effectiveness"]

[No 4, 23 Jan 81 pp 15-16]

[Text] In his speech at the Working Session on Agricultural Problems in Brasov 9 January 1981 Nicolae Ceausescu said, "We must achieve a true agrarian revolution in production, productivity, technology and the general level of the Romanian villages' activity."

The RCP regards agriculture as a main economic sector and a producer of raw materials (for food and for various sectors of industry) that are constantly renewed and virtually constitute an ever inexhaustible resource. It is unquestionably to the credit of the party secretary general that he has consistently stressed the role and great importance of agriculture and has taken firm action to lend it the necessary aid to make better use of all its reserves in order to increase crop and livestock production. As Nicolae Ceausescu pointed out at the recent Working Session on Agricultural Problems in Brasov 9 January 1981, "If we have a good agriculture and assured raw material resources we have the means to develop any sector of industry. Without agriculture and raw materials we do not have the necessary resources to develop the industrial sectors. That is why we started the conferences at the beginning of the five-year plan in agriculture. We wanted to stress the importance of agriculture and the attention it should receive in this five-year plan."

The accomplishment of a new agrarian revolution, a major goal set by the 12th RCP Congress, will mean radical improvement both in use of the existing potential and technical standards of the inventory and in organization and management of agriculture, which will take the form of a veritable qualitative leap in production, productivity and economic effectiveness. This also requires consistent application of self-management, self-administration and the principles of the new economic mechanism.

A Period of Extensive Development and Modernization

Throughout the last five-year plan agriculture enjoyed the attention and all-around support of the party and state administrations and of Party Secretary General Nicolae

Ceausescu in person, so that considerable progress was made in development and modernization of its technical-material base. About 175 billion lei were invested in agricultural development in 1976-1980, or nearly as much as was invested in the two preceding five-year plans together, and this accentuated the process of intensive development.

We now have a park of more than 142,000 tractors (less than 70 hectares of arable land per tractor) and over 35,000 automotive combines (80 hectares planted in grains per harvesting combine). The increased inventory made it possible to shift from mechanization of isolated operations to overall mechanization of most crops and livestock species. Considerable changes were also made in the structure and characteristics of the energy base and the types of agricultural machines by diversifying and modernizing the equipment used, adapting it to more purposes, supplying more powerful tractors and high-capacity automotive combines, introducing simultaneous performance of several operations by means of combined units, and improving the qualitative indices of the tractors' and agricultural machines' performance. The fact that nearly 50 percent of the present tractor park was manufactured in 1976-1980 is particularly significant.

The allocated investments provided for expansion of preparations for irrigation by nearly 1 million hectares (over 12 percent more than in the previous five-year plan) largely in big systems using modern technical measures. The approximately 2.3 million irrigated hectares Romania now has makes it one of the leading countries in Europe in the proportion of land prepared for irrigation in the total arable area. Drainage projects were implemented on more than 640,000 hectares and projects to check soil erosion on 800,000 hectares, considerably increasing the improved areas. The investments used helped to create new orchards and vineyards, mostly intensive and superintensive, and to develop new production capacities in the complexes with industrial production flows for raising and fattening livestock.

Agriculture received nearly 6.4 million tons of fertilizers, almost 2 million tons more than in the previous five-year plan. In the 1976-1980 period the average annual quantity of chemical fertilizers per hectare of arable land was 112 kg (compared with 77 kg in the previous five-year plan), which brought Romania closer to the consumption levels in some developed countries.

Agricultural research created new and more productive varieties and hybrids which were included in the testing network and extended to production.

The efforts to develop and modernize agriculture lent production a powerful stimulus that was manifested in the attainment of an average annual growth rate of about 5 percent (compared with 2.8 percent in the 1961-1965 period, 4.4 percent in 1966-1970, and 4.7 percent in 1971-1975). The rates attained are higher than those recorded for world agriculture as a whole (In the last decade for example the growth rate of Romanian agriculture was about 3 times higher than the European average, making Romania one of the leaders in dynamism of agricultural production) and they permit a gradual approach to the level of modern agriculture in the economically developed countries.

Crop production also showed a rising trend in this overall gain. In the last five-year plan an annual average of 19.4 million tons of bread grains was harvested, which was 4.6 million tons more than the annual average of the previous period and nearly double that of the 1961-1965 period. The per capita output of bread grains was 900 kg last year, when greater quantities of sunflowers, sugar beets, vegetables and

other products were provided for. The gains were made chiefly by increasing the yields per hectare by 470 kg of wheat and 630 kg of corn compared with the 1971-1975 period. As for the industrial crops, an average annual yield of sugar beets was obtained that was 1.4 million tons greater than that in the preceding period (The average yield per hectare nearly reached 25 tons) and the total yield of sunflowers was up 9 percent (with a 2 percent reduction in the planted area), amounting last year to almost 40 kg per capita and placing Romania among the first producer countries in the world.

Vegetable cultivation increased its contribution to a rational diet with a total yield of almost 3.4 million tons, or 34 percent more than in the preceding five-year plan. The yield of winter potatoes reached about 1 million tons, ensuring a high per capita consumption. Vineyard and orchard cultivation, sectors with old traditions in Romania, showed a pronounced development with a total yield of fruits and grapes 26 percent greater than in the 1971-1975 period.

Zootechnology increased its share in the agricultural output to 45 percent in 1980 from 43 percent in 1975. Livestock increased in number during this period by more than 300,000 cattle, nearly 2.6 million hogs, over 1.6 million sheep and goats, and over 20 million fowl. The greatest gains were made in the case of species raised to a greater extent in systems of the industrial type. In the last five-year plan the average annual livestock yields exceeded those of the preceding period by 12.2 million hectoliters of cow's milk, almost 2 billion eggs and about 600,00 tons of meat.

Despite the recorded evolution, the plan provisions were unfulfilled in agriculture. Poor weather in some years contributed to this, but there were also subjective causes discussed in the analysis made at the working session in Brasov, namely violations of technological discipline, dispersion and improper location of some crops, inefficient use of the technical-material base, unwarranted delay in performing operations, and irregularities in organization of production and labor. Sometimes the basic soil operations were of poor quality, the sowing period was exceeded, the optimal density of plants per hectare was not observed, the chemical and natural fertilizers were not used economically, and unsuitable hybrids were used. In zootechnology defects still persisted in providing an adequate fodder base, both quantitatively and especially qualitatively, the specified birth rates were not attained, losses through deaths and necessary slaughter exceeded the permissible level, the average planned weights of livestock on delivery were not achieved, etc. In some cases inadequate mobilization of the workers in the villages to help in agricultural operations interfered with their proper performance in the best period. Defects persisted in occupational training of the basic personnel in units and in the working methods and approach of the management councils and the uniform agroindustrial councils, and a slow and inadequate effort was made to strengthen order, discipline and the sense of responsibility in every production unit.

The tasks outlined by the party secretary general at the working session in Brasov constitute an extensive and specific operational program for all agricultural workers, for the competent ministry, and for the people's councils. It is aimed alike at full exploitation of the existing potential in every county and commune, improvement of modern technology with all that is useful in traditional Romanian agriculture, the most economic use of the financial and material resources allocated to investment projects accompanied by greater initiative in using local resources for agricultural constructions, conversion of self-management and self-administration to a mechanism that can provide for every agricultural unit's self-financing, close correlation of

incomes with the outputs actually obtained, and improved organization and management on all levels. In accordance with the regulatory acts in effect and the material base provided, every county must make extensive use of help from the private farms and the citizens and apply the principle that no one can consume more than he produces in order to provide for its own agricultural food supply and to contribute to better satisfaction of the needs of the urban and rural inhabitants while delivering the specified quantities of products to the centralized state reserve.

Highly Responsible Tasks and Objectives

The year 1981, for which the agricultural plan is designed to provide a good start on the new five-year plan, will be the critical year for implementing the program to increase crop and livestock production through expansion and modernization of the technical-material base and especially through the measures for good organization of the activity.

Under conditions of a normal agriculture, a net output is expected of 73.8-82.2 billion lei (up 9 percent from 1980) and a gross output of 154.6-163.0 billion lei.

The arable area under cultivation will reach 9.38 million hectares, requiring firm measures for complete cultivation of all occupied areas in fields, yards and gardens and of all lands that can produce, along with intensive efforts to recover the lands temporarily withdrawn from agricultural production and to find new ways of enlarging the arable area. The productive potential of the land must be improved by land improvement projects, eliminating excess moisture, checking soil erosion and salinization, and wetting the entire area prepared for irrigation.

Increased bread grain production is still the priority objective of Romanian agriculture, and development of zootechnology and improvement of the public's living standard depend upon it. The planned level is 23.7 million tons, including 6.5 million tons of wheat and 13.7 million tons of corn, which will accomplish the goal of producing 1 ton of bread grains per capita. High-quality performance of operations, supply of more productive varieties and hybrids, proper use of fertilizers, completion of unfinished irrigation projects, and improvement of the existing systems can guarantee an average yield of at least 4,000 kg of bread grains per hectare, which is higher than the planned output.

Industrial crops will continue to be a major concern, and the following yields are to be increased: sugar beets (8.8 million tons), sunflowers (1.1 million tons), soybeans (745,000 tons), and flax and hemp for fiber (575,000 tons). Cooperative members, private farmers and other citizens will start raising oil-bearing plants (sunflowers and rape) and sugar beets on their lands to provide the villages to a great extent with the necessary quantities of sugar and oil.

The output of field vegetables will reach 5.2 million tons and that of winter potatoes 5.5 million tons, thanks to the more pronounced increase in the yields and good use of the technical-material base for these crops. The effort to concentrate and specialize vegetable production will be continued, for which purpose horticultural crop rotations will be organized by the uniform agroindustrial councils and specialized farms will be established. Starting this year every county will try to meet its needs out of its own output, to obtain early harvests, and to intensify exploitation of the vegetables. For better scheduling of consumption, the assortment of vegetables will be diversified so that over 65 percent of the products planned for delivery to the state reserve will be obtained by 31 August.

Orchard and vineyard cultivation is expected to produce 2.44 million tons of fruits and 2,025,000 tons of grapes, especially by obtaining larger average harvests thanks to the modernizing done in recent years. Regardless of the form of ownership, the new plantings will be made solely in solid, compact areas, and orchard cultivation will be only of the intensive and superintensive types.

Stock raising will continue to be a priority objective in the general strategy of intensified agricultural production. By the end of 1981 the livestock numbers will reach 6.9 million head of cattle, 18 million hogs, 17.5 million sheep and goats, and 60 million laying fowl. Increasing the yields per animal and the weight at slaughter is the only guarantee of greater outputs leading to fulfillment of the quotas for delivery to the state reserve and consequently to increased deliveries of products rich in proteins. This year zootechnology will produce nearly 2.9 million tons of meat (weight on the hoof), 56.3 million hectoliters of cow's milk, 42,500 tons of wool, and nearly 7.2 billion eggs.

Fulfillment of the plan tasks in zootechnology also depends on an adequate fodder supply, and that calls for measures to improve the crop structure, to increase the average yields per hectare of fodder crops and natural pastures, to expand double crops mainly on irrigated areas, to make more use of coarse fodders and secondary products and to heighten their nutritive value.

A strong technical-material base will help to obtain the planned production levels. In 1981 agriculture will be equipped with about 14,300 tractors, 6,000 automotive combines for harvesting corn, combines for harvesting beets, and machines for harvesting potatoes, as well as other agricultural machines and equipment. Agriculture will receive large quantities of nitrogenous, phosphorous and potassic chemical fertilizers (over 1.7 million tons) and pesticides (51,000 tons).

In addition to developing the role of the state and cooperative uniform agroindustrial councils in intensifying the concentration and integration of agricultural production and in consolidating the state agricultural enterprises and agricultural cooperatives as basic units of agriculture, the dynamism of agricultural production requires all aid to the peasant farms, which still have considerable potentials, especially in zootechnology, that are insufficiently exploited. Better organization of their activity will enable them to contribute more consistently to increased production and deliveries.

The year 1981 is to be a turning point in the economic effectiveness of agriculture. Application of self-administration to all units, with improved production, contracting and purchase prices, calls for proper correlation of incomes and outlays in order to achieve the financial balance that guarantees profits at least in keeping with the plan tasks. All units are required to use the recommended technologies and to compile technical-economic estimates based on the prepared standards that will include the operations strictly necessary to produce the planned outputs of high quality at minimum costs, in order to obtain higher prices and the greatest possible incomes. The cooperative units, which will soon begin self-financing, will cease to receive credits or request them only at the start of the year until the harvesting and sale of the output is done. The general measures to be taken this year will permit more effective sale of all products at a suitable profit, providing for the financial balance and the necessary framework for every unit to completely observe the principles of the new economic-financial mechanism.

[Text] This year's agricultural plan is essentially characterized by the high growth rates of all sectors of activity. The net agricultural output is to average 9 percent more than the 1980 one, and the transition to a new quality will be specifically reflected in the implementation of some revolutionary measures concerning both the technical-material base and the methods of maintaining and exploiting the soil. The fact is significant that again for this year a considerably higher growth rate of the net output has been planned for agriculture than that for industry.

Strengthened Role of Uniform Agroindustrial Councils

Exemplary plan fulfillment requires technical-organizational and economic-financial measures to channel the efforts and competence of personnel toward the major problems upon which mobilization of the agricultural reserves depends.

These measures must accelerate the application, in every county, uniform agroindustrial council and unit, of the exceptionally important directives formulated by Party Secretary General Nicolae Ceausescu and detailed on the operational level by the National Council for Agriculture and the competent ministry.

As determined at the Working Session on Agricultural Problems in Brasov at the beginning of the month, the role of the state and cooperative uniform agroindustrial councils (designed for uniform management of agriculture on the level of a group of units) in taking measures for cooperation and association, for proper application of the norms specified in technologies, and for rational use of all material and financial resources will be further developed to carry out all production tasks and to obtain maximum effectiveness throughout the activity. As plan administrator the uniform agroindustrial council jointly with the component agricultural units assigns the plan tasks to fields, distinguishing them according to suitability, productive potential and technical-material resources. The agricultural units will take steps to attain the planned production levels and will base their entire activity on the principles of self-management and economic-financial self-administration, being required to manage their material and financial resources with the greatest efficiency, to cover their outlays out of their own incomes, and to make profits according to law.

New measures have been taken to perfect organization and management of agriculture and to integrate the productive and economic activity of all units in the uniform agroindustrial council's jurisdiction more intensively, for purposes of balancing the production conditions and so also the results of the units in the same area, improving collaboration among the participants in producing the agricultural output, making the most effective use of the land reserve, technical means and labor force, and obtaining the greatest, best and most efficient production that is possible in every unit and throughout the whole jurisdiction of the agroindustrial council.

The agricultural mechanization stations are jointly responsible with the units with which they cooperate for complete plan fulfillment, for which purpose they are required to perform all operations in optimal time and in good quality in accordance with the contracts concluded and the approved technologies. Payment of the benefits due is based on the rates per unit of agricultural output in proportion to the outputs obtained by each unit, encouraging the stations to take an active and responsible part in increasing the yields of the units with which they cooperate.

To encourage the machine drivers to increase the agricultural output, they are paid by the overall contract system at a rate per ton of output (unlimited) in proportion to the yield of each crop obtained by the unit to which they belong (regardless of the yield obtained by the other units, or throughout the unit served).

Uniform organization of the territory regardless of the legal holder of the land and determination of specialized crop rotations on lands grouped according to fields with homogenous soil conditions and optimal proportions for mechanized exploitation will intensify concentration and specialization of production with direct effects upon the level of the latter. Therefore it is in order to reorganize the crop rotations under each council, to determine the farms and units responsible for obtaining the outputs from the fields belonging to several owners, to determine the fodder requirement and the measures to supply it in the council's jurisdiction, to conclude the contracts for cooperation between the agricultural mechanization stations and the cooperative units, to organize the large mechanization units on the farms, and to coordinate agricultural production on the overall contract system, through each and every specialist for the farm or unit for which he is responsible, both with the agricultural unit and with the agricultural mechanization station.

Accomplishment of the tasks to increase agricultural production requires perfect order and discipline in the application of all technical standards. Romanian agriculture has reached a level of technical development where all operations can be performed in optimal time. And so compulsory norms have been set for performance of agricultural operations that specify the depth of plowing and the period of execution, the amount of seeds and the density of sowing, as well as the sowing and harvesting periods. These measures are intended to promote modern, intensive technology in all sectors of agriculture and to ensure observance of the technological stages and performance of the operations in the best periods and within the deadlines as a major means of increasing the yields per hectare. Meanwhile the Ministry of Agriculture and the Food Industry jointly with the Academy of Agricultural and Forestry Sciences is preparing the official list of varieties and hybrids for all cultivated plants differentiated according to soil and climatic conditions for every zone of fertility, production technologies (compulsory for every unit) for each crop, technical norms for harvesting, transporting and storing the entire agricultural output on time and under the best conditions, and other norms that will lead to full use of the productive potential and the greater natural fertility of the soil.

It is also very important to organize correct and prompt application of the Law on Formation, Distribution and Use in Counties of Resources for Supply of Meat, Milk, Vegetables and Fruits. This requires and encourages the county organs to make a sustained effort to carry out the programs for development of agricultural production so that the local needs will be supplied and better satisfied once the tasks for delivery of agricultural food products to the state reserve are fulfilled.

The new supply system based on self-management and self-supply is designed to stimulate the initiative of the people's councils as state organs in obtaining outputs and making deliveries to the state reserve, since it is the only way quantities sufficient for the consumption of agricultural food products can be procured. As Nicolae Ceausescu said, "It is critical to take measures to implement the programs completely and to produce the specified outputs, because no one will be able to consume more than he will produce. We cannot even reach the specified consumption level unless we carry out the specified programs."

Better Exploitation of Agricultural Products

For better and efficient exploitation of the agricultural output in the jurisdictions of the agroindustrial councils according to the party secretary general's directions, construction has begun of small, modulated industrial capacities with simple technological and construction methods and short construction periods that will permit both curtailment of the distances over which the raw materials and products are shipped and joint use of the facilities as well as conservation of the investment funds. The new capacities in the milling and baking industry and those for sugar, oil, beer, tobacco, meat and milk will be proportioned according to the sources of raw material supply and the consumer centers to eliminate qualitative deterioration of the raw material. These units will employ primarily local manpower. This will help to stabilize the commune population, enable it to participate both in agricultural work and in industrial activity, encourage better management of private plots, and ensure exploitation of the agricultural output in the new capacities that will be created under the council, which will implement, in the form of services, the supply of the local population with the respective products.

Since the private farms have considerable reserves for increasing agricultural production, the state helps the cooperative members and farmers in the uncooperativized areas to raise livestock and poultry for their own needs and for sale to the state reserve. The private farms are required to cultivate the whole area, developing especially the production of vegetables, potatoes and fruits as well as some crops of technical plants essential to their own consumer needs. The Recent Decree on Organization of Services for Industrial Processing of Products of Agricultural Producers will heighten their interest in cultivating their lands with beets, sunflowers etc. to cover their consumer needs for sugar, oil and other products on that basis.

The Law on Updating and Improving Economic Correlation of Prices for Production and Delivery to the Socialist Units required the corresponding change of these prices in agriculture to reflect the changes in the level and structure of the costs and to ensure the profitability of all crop and livestock products. The opportunities created by the improved organization of the agroindustrial councils to use the same technologies, to have the same material resources, and consequently to obtain the same yields in the uniform crop rotations made it possible and necessary to correlate the prices of the state agricultural units' products with those charged by the cooperative units. For example the prices for livestock products were increased considerably. The production prices in the state units per kilogram of weight on the hoof were increased as follows: from 14.35 to 17.50 lei for young cattle up to 3 years of age and weighing over 400 kg; from 10.50 to 14 lei for hogs weighing 101-110 kg; from 8 to 12.50 lei for first-grade whethers; from 12.45 to 17 lei for ducks; and from 13.50 to 21 lei for geese. For cow's milk containing 3.5 percent fat, the production price for the November-April period was raised from 190 to 210 lei per hectoliter, to which is added a premium up to 100 lei per hectoliter for increased average output and deliveries to the state reserve of more than 150 liters more than the preceding year.

Fulfillment of this year's main agricultural tasks requires the most thorough preparation of the spring agricultural campaign, and in this period the attention of the agricultural workers is focused upon completion of plowing the spring crops and of planting operations in vineyards and orchards, fertilizing the winter crops with chemical fertilizers and the fields with organic and chemical fertilizers, conditioning, treating and supplying the seeds, and repairing tractors and agricultural machines regularly and properly. In zootechnology a constant effort is being made to produce the

numbers of livestock and the yield and to make the deliveries to the state reserve.

The Romanian farmers are resolved to greet their second goal by making 1981 a year of maximum and responsible commitment of the material and human forces of the agricultural units and private farms to exemplary performance of the tasks and to improvement of the entire activity to meet the high requirements of the present stage of Romania's socioeconomic development.

5186

CSO: 2700

PRIVATE BUSINESS UNINFORMED ON AVAILABLE IPC CREDITS

Belgrade BORBA in Serbo-Croatian 4 Mar 81 p 2

[Article by Djoko Kesic: "Credit Filed Away in the Drawer"]

[Text] It was one of those improbable pieces of news which we take at first with quite a bit of disbelief. Under the heading "Foreign Exchange Which No One Wants" BORBA recently published the news that the Yugoslav Export and Credit Bank is offering funds under a credit from the International Finance Corporation in the amount of \$32 million for development of small business and that no one wants to accept that help. And still more amazing, these funds must under the provisions of the agreement be used no later than 30 June this year. Otherwise the International Finance Corporation will discontinue this line of credit to us, which our business executives made great efforts to obtain.

After that article private craftsmen and tradesmen telephoned and wrote the office of the newspaper saying that they had not previously heard about that credit, and Zoran Hajdukovic, a plumber from New Belgrade, says that there are few craftsmen and tradesmen who are not interested in this kind of aid in the form of credit, had they been informed about it in time.

Forgetful Economic Chambers

Milojko Divac, assistant republic secretary for the economy of SR [Socialist Republic] Serbia and member of the Federal Committee for Monitoring Implementation of Small Business Policy, says that it is true that not one cent of the \$32 million of this credit has so far been extended to anyone. He adds that this was actually a trial balloon for the new line of credit. The credit was extended last June, and immediately thereafter, in a meeting of all interested parties, each republic and province was allocated \$4 million, with the proviso that domestic banks and work organizations would be required to provide matching funds which would represent two-thirds of the total credit granted. There is a clause to this effect in the contract with the International Finance Corporation. And also that 20 percent of the credit would be extended for the use of private craftsmen and tradesmen.

At that meeting the republic and provincial economic chambers assumed the commitment to inform regional chambers in writing and advise them that they were in turn to report all this to opstina economic chambers and interested work organizations

in the crafts and trades and other activities. Once credit applications were cleared by opstina and regional economic chambers, they were to go to republic or provincial economic chambers for approval, and it is there that the projects and financial program were to take definitive form," Divac said, adding:

"It seems that the principal 'misunderstanding' occurred between the domestic bankers and small business." "The bankers could not see their way to investing those two-thirds of domestic resources," we were told in the Yugoslav Investment and Credit Bank. In their judgment this is the principal reason why the line of credit of the International Finance Corporation is in jeopardy. Miloje Divac says that certain regional and opstina economic chambers and opstina administrations simply forgot that this credit existed at all in their drawers and forgot as well their obligation to inform those interested about all this. Along the line there was a lack of information, and also a lack of responsibility. A meeting was held only a few days ago in the Economic Chamber of Serbia, and the participants were unable to ascertain with certainty exactly why the implementation of this program is lagging. To be sure, the chamber did receive 30 applications, not one of them from anyone in the private sector. Still more astounding is the figure that the situation is not a bit better in the other republics and provinces. In other words, those interested still can compete for the credit in the opstina economic chambers, where they should receive from the competent people the most detailed information about the terms and conditions. Yet applicants in the private sector cannot obtain foreign exchange from this credit fund, but must find an intermediary in a work organization or craft or trade cooperative.

An Illustration of Negligence

"This example very drastically demonstrates how many issues in the small business sector we have left to chance," says Ljubomir Smiljanic, editor in chief of ZANATSKI GLASNIK [CRAFT AND TRADE HERALD] and the specialized journal MALA PRIVREDA [SMALL BUSINESS]. There is hardly any official body that has seriously concerned itself with the problems of furnishing information in this sector. The daily newspapers write about these problems on an irregular basis and frequently only about those isolated cases, about shops which are disappearing and about craftsmen and tradesmen dying out. It is obvious that the problems of the small business sector go beyond those. After all, as you see, many interested people were not informed about the opportunities and procedure for obtaining resources under the credit of the International Finance Corporation. "We wrote in ZANATSKI GLASNIK about this credit, but obviously we were not able to do enough in that direction. Even after this incident, which is a warning, it is hard to see that anything will change in this sector, though the example is very instructive. I think that the time is right for us to think about establishing a Yugoslav newspaper which would concern itself exclusively with the problems of the small business sector and the crafts and trades. To give an example, we can cite the datum that relations in our small business sector are regulated by 23 laws, which is both too many and at the same time not enough. For instance, craftsmen and tradesmen learn about many provisions of the law only when they receive a citation to pay some fine or contribution, while on the other hand they are not even well informed about all the rights and opportunities they have for improving their activity."

Behind all this stands the inexorable deadline of 30 June 1981 as the last date by which the funds are to be spent from this first package of foreign exchange credit if the line of credit is not to be discontinued. And also that objective danger that we will distribute the resources in haste and at the same time forget about the real needs and about private craftsmen and tradesmen for whom 20 percent of the total amount is earmarked. Nevertheless, the inescapable impression is that all of this represents the pattern of our attitude toward small business, from which we rightly expect a great deal at this point.

7045

CSO: 2800

END

END OF

FICHE

DATE FILMED

3/30/81